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# ***Daily Report***

## **East Asia**

FBIS-EAS-89-110

Friday

9 June 1989

# Daily Report

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FBIS-EAS-89-110

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9 June 1989

**NOTICE TO READERS:** An \* indicates material not disseminated in electronic form.

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## Japan

### Subcabinet-Level Talks Set With U.S.

OW0806130289 Tokyo KYODO in English 1221 GMT  
8 Jun 89

[Text] Tokyo, June 8 KYODO—Japan and the United States will hold a two-day subcabinet-level consultation on economic affairs at Kawana, Shizuoka Prefecture, the Foreign Ministry said Thursday.

High on the agenda are bilateral trade imbalance, Uruguay round of multilateral trade talks, Europe's 1992 market integration, Asia-Pacific cooperation, Third World debts and environmental problems, officials said.

Japan hopes to discuss a U.S. decision in late May to designate Japan—under the "super 301" clause of the omnibus trade act—as a country with consistent trade barriers against supercomputers, satellites and forest products, the officials said.

Deputy Foreign Minister Michihiko Kunihiro will head the Japanese team comprising officials from ministries of foreign affairs, finance, agriculture, international trade and industry and of the economic planning agency.

Robert McCormick, undersecretary of state for economic affairs, and Lynn Williams, deputy U.S. trade representative, will be among the 15-member American delegation.

### MITI Report Urges Increased U.S. Productivity

OW0906024389 Tokyo KYODO in English 0042 GMT  
9 Jun 89

[By Misuk Woo]

[Text] Tokyo, June 9 KYODO—The U.S. must strengthen its productivity and international competitiveness while restraining excessive domestic demand in order to correct its trade imbalances with other nations, Japan's Ministry of International Trade and Industry (MITI) said Friday.

The ministry's annual white paper on trade said the weak production base of U.S. manufacturers, particularly in the machinery and transport equipment sector, is detrimental to the overall U.S. industrial structure.

This weakness, especially in production of electrical and precision equipment machinery, makes the U.S. unable to meet surging domestic demand, thus forcing it to rely heavily on imports, the paper said.

The white paper presented a lengthy analysis of the U.S. economy, emphasizing the impact on international trade of its distorted industrial structure.

It painted a bright picture of what it said were positive structural changes taking place in Japan's economy, along with an overview of world economic trends.

But the paper said the U.S. needs to make adjustments in view of its poor productivity together with the profit-oriented management commonly practiced by U.S. firms.

U.S. makers are investing heavily in streamlining of their operations, while neglecting the need to reinforce them to cope with surging domestic demand at home, it said.

As a result, their outmoded plant facilities are unable to meet consumer demand for such products as cars, consumer electrical goods, and machinery, so that firms rely heavily on imported goods, the paper said.

A gap between demand and productivity in such industries is widening, according to the paper.

The transport equipment industry suffers from the biggest gap, with its production falling 6.4 percent below annual demand, followed by 4.8 percent in the electrical machinery sector, and 4.7 percent in precision instruments.

By comparison, production of metal and chemical products is generally in line with changing demand, it said.

The paper said U.S. corporate management tends to seek short-term profits rather than consolidate its operations, and this is making some types of industries vulnerable to such changes as a decline in consumer demand.

Comparing the attitudes of American and Japanese shareholders, the paper indicated that many Americans want companies to make more efforts to raise the value of their stock, whereas Japanese seek a corporate approach aimed at growth and stability.

Turning to Japan's economic scene, the paper said a structural change is evident.

While a wide variety of imported products are making steady inroads into the Japanese market amid diversifying consumer demand, exports of electrical goods are rising at a pace unparalleled by any other item, the paper said.

Exports of semiconductor-related goods and telecommunications equipment shot up particularly during 1985 and 1988, according to the paper.

Overall, the paper said, Japan has undertaken drastic efforts to survive under the yen's steep rise against the U.S. dollar in recent years.

In a struggle to cut costs, Japanese manufacturers are shifting their production bases to developing nations in Asia.

While welcoming such changes, the paper said Japan now faces the need to diminish price gaps of Japanese and foreign products.

Due partly to wide price gaps, a huge number of Japanese are traveling abroad and purchasing foreign goods, the paper said.

Looking at world economic trends, the paper referred to "protectionist moves" in Europe as seen in the European Community (EC) antidumping regulations on foreign products.

It urged the 12 EC member nations to adopt "an open system" under which companies worldwide can compete after they introduce an integrated internal market in the EC in 1992.

As for Asia, the paper noted the growing economic links between countries in the Asia-Pacific region.

Through technology transfers and direct investment by Japan and the newly-industrializing economies (NIES), member nations of the Association of Southeast Asian Nations are industrializing rapidly, the paper said.

Japan has a significant role to play in helping vitalize economic growth in the area by expanding its domestic demand and by further adjusting its industrial structure, the paper said.

**Ministry Rejects U.S. Shipbuilders' Complaint**  
*OW0906094189 Tokyo KYODO in English 0912 GMT 9 Jun 89*

[Text] Tokyo, June 9 KYODO—Japan's Transport Ministry rejected a trade complaint Friday filed by a U.S. shipbuilding industry group against Japanese Government subsidies to the shipbuilding industry.

The U.S. industry group named Japan as an unfair trader along with West Germany, Norway and South Korea in a complaint to the U.S. Trade Representative's Office. It said shipyards in those countries receive large government subsidies to promote their exports, while U.S. shipyards are having difficulty getting orders for new vessels.

Ministry officials, rejecting the complaint, said its subsidies are strictly in accordance with an agreement reached at the Organization for Economic Cooperation and Development (OECD).

The officials said the complaint reflects anxiety in the U.S. shipbuilding industry about shrinking demand for ships, especially warships.

Transport Minister Shinjiro Yamamura told a news conference following the day's cabinet meeting that Japan is not engaged in unfair trade practices as alleged in the complaint.

Meanwhile, Japanese shipbuilding industry sources said the real target of the complaints is not Japan but European countries, which mainly compete with the U.S. in the world shipbuilding businesses.

**Mitsuzuka Says PRC Needs Time**  
*OW0906052689 Tokyo KYODO in English 0433 GMT 9 Jun 89*

[Text] Tokyo, June 9 KYODO—Foreign Minister Hiroshi Mitsuzuka said Friday that it will take time to restore the situation in China to normal and noted that troops are still stationed in Beijing.

Mitsuzuka told a news conference that the situation can only be called normalized if martial law troops return to their barracks.

The Chinese Government appears to have failed so far to reach a compromise with prodemocracy students and citizens, Mitsuzuka said.

The foreign minister was replying to reporters' questions about how he sees the situation in China.

Mitsuzuka said he has received no clear report about whether senior Chinese leader Deng Xiaoping is ill or dead.

**Chinese Students Request Sanctions From Uno**  
*OW0806125989 Tokyo KYODO in English 1126 GMT 8 Jun 89*

[Text] Tokyo, June 8 KYODO—Chinese student representatives on Thursday requested the Japanese Government impose economic sanctions and freeze ties with the Beijing government in a letter to Prime Minister Sosuke Uno.

Seventeen students visited the Prime Minister's Office here to deliver the letter blasting the killing by troops loyal to Prime Minister Li Peng during the crackdown on Beijing's pro-democracy movement.

The move follows a memorial observance Wednesday at which over 5,000 Chinese and others mourned the estimated thousands of dead and called for the ouster of Li and senior leader Deng Xiaoping.

The letter also sought harsher condemnation of the Li government from Uno. Japan has called for "maximum restraint" in the crisis and in a statement Wednesday called the killings "unacceptable from a humanitarian point of view."

Efforts to aid the victims progress as a Tokyo-based group reported Thursday 100 promises of support for funds to buy medical and food supplies for the victims. The group, which hopes to raise 10 million yen, plans to channel funds through the Beijing Red Cross.

In Osaka, about 3,000 gathered on Thursday in a city park for a similar observance. "A dictator's carnage has begun. Precious lives have been lost. And the dreams of a billion crushed," said Kyoto University graduate student Li Weidong, greeting those assembled.

Chinese, other foreign residents and Japanese attended the rally laying flowers honoring the victims upon a makeshift Buddhist altar and supporting speeches condemning the violence with chants and applause.

**Government Suspends Mission for PRC Projects**  
*OW0806125189 Tokyo KYODO in English 1241 GMT 8 Jun 89*

[Text] Tokyo, June 8 KYODO—Japan has suspended missions for 14 official-development-assistance projects due to political unrest in China, government officials said Thursday.

The suspended missions include a team of engineers for feasibility study on an environment protection center, scheduled to start construction in Beijing in 1990, pledged by former Prime Minister Noboru Takeshita last August, Foreign Ministry officials said.

The Japanese Government also decided to recall 15 technical advisers for a youth hostel building in the Chinese capital under construction with grant-in-aid from Japan, they said.

Half of the 200 experts for agriculture projects who were staying in Beijing had returned home as of Thursday.

Japan plans to extend to China official development assistance funds worth 97.2 billion yen in the current fiscal year, ending next March.

**MITI To Raise PRC Trade Insurance Premiums**  
*OW0906043289 Tokyo KYODO in English 0334 GMT 9 Jun 89*

[Text] Tokyo, June 9 KYODO—Japan's International Trade and Industry Minister [MITI] Seiroku Kajiyama announced Friday that his ministry will raise the insurance premium on trade with China, effective next Monday.

Speaking at a regular press meeting after a cabinet session, Kajiyama stressed that the move is not aimed at punishing China for its military crackdown on the student-led democratic movement but was decided in the context of a balanced trade insurance system.

With the move, China, which is now among the second-ranking group of nations in the ministry's determination of trade insurance premium rates, will drop to the third rank.

Accordingly, the existing rates on a total of nine types of trade insurance with China will be reset, a ministry official said.

Kajiyama said China will also be designated as a "special country" for which each type of export insurance will require the ministry's approval before underwriting.

Such insurance is designed at covering potential losses resulting from risks in trade with foreign nations.

**Last Evacuees From Beijing Reach Tokyo**  
*OW0906020889 Tokyo KYODO in English 0103 GMT 9 Jun 89*

[Text] Tokyo, June 9 KYODO—A mission to bring Japanese evacuees home from China ended early Friday when a special flight from Beijing arrived at Haneda Airport with just seven passengers on board.

The 4 Japanese and 3 Chinese on the plane were the last of 3,186 evacuees to arrive home on 10 special flights over the last 3 days.

The All Nippon Airways (ANA) flight arrived at just after 2 a.m.

ANA and Japan Air Lines canceled two other emergency flights that had been scheduled for later Friday.

**Nine Businessmen Remain in Beijing**  
*OW0906085789 Tokyo KYODO in English 0842 GMT 9 Jun 89*

[Text] Beijing, June 9 KYODO—Only nine Japanese trading house employees remain in Beijing following an exodus of hundreds of Japanese after the military crackdown on student protestors on Tiananmen Square on Sunday, sources said Friday.

Five are employees of Marubeni Corp. and four of Nissho Iwai Corp., sources said.

The four Nissho Iwai businessmen plan to leave the Chinese capital Saturday, they said.

Employees of Mitsui and Co. and Mitsubishi Corp. have already left Beijing for Japan, they said.

**USSR Releases 11 Japanese Fishermen**  
*OW0806132889 Tokyo KYODO in English 1247 GMT 8 Jun 89*

[Text] Kushiro, Hokkaido, June 8 KYODO—Eleven Japanese fishermen and a boat seized by the Soviet Union off the Soviet-held Shikotan Island last month were released on Thursday, local Maritime Safety officials said.

The officials said the 11 crew members of the 125-ton No. 103 Koryo Maru from Kushiro were released in the island's Bay of Anama in the afternoon.

They are expected to arrive in Kushiro early Friday, the officials said.



The boat was seized on May 13 on suspicion of catching banned fish. Five other crew members of the 16-man boat were released on March 25.

**Fuwa Resumes Post as JCP Presidium Chairman**  
*OW0806141089 Tokyo KYODO in English 0949 GMT 8 Jun 89*

[Text] Tokyo, June 8 KYODO—Tetsuzo Fuwa will resume the post of Presidium chairman of the Japan Communist Party [JCP] succeeding the ailing Hiromu Murakami, the No. 4 opposition party said Thursday.

Fuwa, 59, a seven-term member in the House of Representatives, has been vice chairman of the JCP Central Committee after resigning as Presidium chairman in November 1987.

Murakami, 67, has been hospitalized since early February. The JCP said Murakami has been suffering from paralysis of the ocular muscles.

The JCP approved Fuwa's appointment at the party's Central Committee, which closed a two-day general meeting on Thursday, party officials said.

Fuwa met reporters following the session and said he hopes to contribute to the peace of Japan and the rest of the world.

Fuwa said he hopes for a victory in the coming elections for the Tokyo Metropolitan assembly and for the House of Representatives, both scheduled for July.

Fuwa, whose real name is Kenjiro Ueda, joined the JCP in 1947 and headed the party Secretariat in 1970.

He served as Presidium chairman between 1982 and 1987.

Fuwa is regarded as the most probable successor to Kenji Miyamoto, who has remained the top leader since 1958, political sources said.

Miyamoto, 80, is currently chairman of the Central Committee.

**Uno Admits Nation's Wartime Aggression**  
*OW0906101989 Tokyo KYODO in English 0942 GMT 9 Jun 89*

[Text] Tokyo, June 9 KYODO—Prime Minister Sosuke Uno admitted on Friday that Japan was an aggressor nation in World War II and that militarism was also responsible for causing hardships to neighboring countries such as Korea before the war.

"We must reflect on the dark history of (Japan's) 36-year colonial rule of Korea... We must reflect on the past war," the prime minister said.

Uno said during interpellation at a plenary session of the House of Councillors Japan feels remorse that it troubled the people of neighboring countries through the war.

Former Prime Minister Noboru Takeshita said last February that the question of whether Japan was an aggressor in World War II would have to be decided by future historians. His remark sparked sharp criticism from China and South Korea.

Asked his opinion about the 1904-1905 Russo-Japanese War, Uno responded, "I recognize that the Russo-Japanese war was a great incident in understanding Japan's modern history after the Meiji Restoration (in 1868)."

As a result of Japan's victory in the war, Japan established control over the Korean peninsula until the end of the World War II. Russia was also forced to withdraw troops from Manchuria and offer southern half of Sakhalin to Japan.

The prime minister said Heihachiro togo, an admiral who played a major role in the Russo-Japanese War, must be studied in order to understand the war.

Togo is one of the 42 historical figures that the Education Ministry now requires schools to include in curricula.

Uno also said the "Hinomaru" national flag and "Kimi-gayo" anthem have been accepted by the people as a result of long practice since the Meiji era.

The Education Ministry decided last February to oblige educational institutions to hoist the "Himonaru" and sing and "Kimigayo" at all school ceremonies.

The flag and anthem are controversial because of their associations with Japan's advances in World War II.

The Japan Teachers' Union has denounced the ministry's decision as an effort to revive nationalistic ideologies.

Uno also refused to institutionalize Japan's three non-nuclear principles of not possessing, manufacturing or introducing nuclear weapons into Japan.

Uno said there is no need to legalize the principles because they are widely recognized in both Japan and foreign countries as deeply held by the Japanese people.

Hideo Yahara, a member of the opposition Komeito, demanded that the principles be institutionalized as a result of recent evidence that the U.S. Navy lost a hydrogen bomb off Okinawa in 1965.

The prime minister said the United States must offer prior consultations if it wants to bring nuclear weapons into Japan and that he believes there has been no introduction of nuclear weapons since the U.S. has never offered such consultations to Japan.

**Uno Declines Comment on Magazine Article**

OW0906091389 Tokyo KYODO in English 0845 GMT  
9 Jun 89

[Text] Tokyo, June 9 KYODO—Prime Minister Sosuke Uno on Friday refused to comment on a magazine article alleging that he gave money to a former geisha for her sexual favors four years ago.

Uno told a plenary session of the House of Councillors, "I will refrain from commenting publicly on such a kind of report concerning myself."

The prime minister made the remark in reply to questioner Mamee Kubota, a member of the opposition Japan Socialist Party.

The weekly SUNDAY MAINICHI reported this week that Uno paid the woman a total of 3 million yen over four years.

The magazine said the 40-year-old woman, whose real name was withheld, said she revealed her relationship with Uno to protest that such an "immoral man" had become prime minister.

The story was also carried Thursday by the English language MAINICHI DAILY NEWS.

The paper quoted the woman as saying, "he is not a man of noble character. He thinks he can buy women for money. I don't want him to use politics in the same way he treated me."

An Uno aide said the prime minister denied the woman's story, according to the magazine.

Uno became prime minister last Friday and formed his cabinet, which he said is free from the Recruit influence-peddling scandal.

**Poll Shows Uno Cabinet Has Minority Support**

OW0906062189 Tokyo KYODO in English 0502 GMT  
9 Jun 89

[Text] Tokyo, June 9 KYODO—Prime Minister Sosuke Uno is approved of by 35.5 percent of eligible voters, but support for the ruling Liberal Democratic Party (LDP) is at a new record low of 31.2 percent, according to a KYODO NEWS SERVICE poll released Friday.

The poll showed that the new cabinet has failed to boost flagging support for the ruling party, beleaguered by the Recruit stock trading and bribery scandal which led to the downfall of his predecessor Noboru Takeshita.

Uno's 35.5 percent support rating was the second-lowest for a newly-formed cabinet since KYODO first conducted such a poll in the 1960s.

But public support for the Uno cabinet, formed on June 2 to help repair the party's scandal-tainted image, was substantially higher than that for the outgoing cabinet of Takeshita.

The Takeshita cabinet was supported by only 12.6 percent of the voting public when the last KYODO interview poll was conducted in late March. A KYODO telephone poll conducted in mid-April showed only a 3.9 support rating for the Takeshita Cabinet.

Most new cabinets receive support from about half of eligible voters, who currently number about 88.8 million, political analysts said.

The existing low for a new cabinet is 33.5 percent recorded by Takeo Fukuda, who formed his cabinet in December 1976 following the Lockheed bribery scandal.

The figure for Uno is much lower than the 58.6 percent for Takeshita in November 1987, 51.0 percent for Yasuhiro Nakasone in November 1982, and 58.3 percent for Zenko Suzuki in July 1980.

The poll showed those who do not support the Uno cabinet reached 49.0 percent, hitting the second highest only after the Fukuda cabinet's 50.8 percent.

The nationwide interview poll was conducted June 5-6, 3 to 4 days after the cabinet formation. On June 5, Uno delivered a major policy speech in the Diet and vowed efforts to achieve a sweeping political reform and to prevent a recurrence of the Recruit influence peddling scandal.

It covered 3,000 men and women aged 20 or over, of whom 2,007 or 66.9 percent responded.

The newly-introduced 3 percent consumption tax and farm liberalization policies are particularly unpopular, poll analysts said.

The main reasons for supporting the Uno cabinet were absence of a more appropriate candidate (38.1 percent), and trust in the prime minister (19.8 percent).

The main reasons cited for the 49.0 percent of the respondents who withheld support for the Uno cabinet were its backing by the LDP (37.5 percent), and lack of trust in the prime minister (23.4 percent).

Chief Cabinet Secretary Masajuro Shiokawa, asked for comment on the outcome of the poll, described it as "severe" and regretted the figure of nonsupport exceeded that of support.

Support for the LDP was down from the previous record low of 33.8 percent in March, and was well below the combined 42.8 percent support registered for the 5 major opposition parties.



The Japan Socialist Party edged closer to the LDP with a support rating of 28.5 percent, up from 26.2 percent in the previous survey in March.

It was a record high for the top opposition party.

Those who do not support any particular party came to 19.6 percent, down from 23.9 percent.

Komeito won 4.7 percent of support (down from 4.1 percent), the Japan Communist Party 4.0 percent (up from 3.0 percent), the Democratic Socialist Party 4.2 percent (up from 4.2 percent), and the United Social Democratic Party 1.4 percent (unchanged).

### North Korea

#### Paper Comments on U.S. Arms to South

SK0906055889 *Pyongyang KCNA in English 0518 GMT 9 Jun 89*

["South Korea Is Overcharged Powder Magazine"—KCNA headline]

[Text] Pyongyang June 9 (KCNA)—The U.S. Defense Department on June 6 informed Congress of a 240 million dollars' worth "arms sales plan" for the South Korean puppets.

Noting that the United States continues to supply the South Korean puppets with lethal weapons, NODONG SINMUN today in a signed commentary stresses this stems from the strategical demand of the U.S. imperialists to keep hold on South Korea as a permanent colony and military base and a bridgehead for continental aggression.

The U.S. imperialists who seek to gratify their wild ambition for world supremacy are attaching greater importance to South Korea today as the frontline base in their anti-socialist strategy, the news analyst says, and goes on:

It is nobody's secret that the arms buildup of the U.S. imperialists and the South Korean puppets and the arrow of their war games is directed against not only our republic but also other socialist countries.

The U.S. imperialists' massive supply of destruction weapons to foster the war potentials of the South Korean puppets is an intentional act to create obstacles to dialogue and relaxation of the tension between the North and the South.

The U.S. arms buildup in South Korea gives the lie to their advertisement that they want peace and detente in Korea.

As shown by facts, the U.S. imperialists are talking volubly about disarmament and detente in public, but, in actuality, they exclude the Korean peninsula in this and are hastening arms buildup and increasing the danger of war here.

Their arms supply to South Korea is a challenge to the desires of the Korean people and the world people for peace in Korea and her peaceful reunification.

The United States must stop supplying arms to the South Korean puppets and withdraw its forces and nuclear weapons from South Korea.

#### U.S. Condemned in Air Force Range Incident

SK0106064689 *Pyongyang KCNA in English 0458 GMT 1 Jun 89*

["Knavish Outrage of Aggressor Forces and Traitors"—KCNA headline]

[Text] Pyongyang June 1 (KCNA)—The recent incident in Maehyang-ri, Ujong Subcounty, Hwasong County of Kyonggi Province, South Korea, fully proves that the U.S. imperialist aggression forces occupying South Korea are brazen-faced aggressors and gangsters and the No Tae-u group is a clique of despicable colonial stooges and traitors to the nation, says NODONG SINMUN today in a signed commentary.

Recalling that U.S. imperialist aggression Army soldiers on May 29 committed a group assault and inflicted wounds upon inhabitants of Maehyang-ri who demanded that they move a firing range of the U.S. Air Force to another place and that the puppet police arrested the inhabitants rather than lodging a protest with the aggression Army soldiers, the news analyst says:

The brutality of the U.S. imperialist aggression Army soldiers is an insolent act of the aggressors who occupied the territory of other's country and are lording it over there. It is an unbearable insult to the national dignity of the South Korean people.

The U.S. imperialist aggression forces are running high and mighty in South Korea because South Korea is a complete colony of the United States and there remain such filthy traitors as No Tae-u.

The No group defends the occupation forces no matter what outrageous tyranny they may resort to.

The South Korean people cannot escape calamities as long as the U.S. imperialist aggression forces and the No Tae-u clique of traitors are left intact.

#### U.S. Soldiers Allegedly Beat South Citizens

SK0906050489 *Pyongyang KCNA in English 0448 GMT 9 Jun 89*

[Text] Pyongyang June 9 (KCNA)—Four American brutes assaulted South Korean inhabitants in Kunsan on June 1 when the criminal acts of the U.S. imperialist aggression troops occupying South Korea are getting more wanton, according to a report.

Those brutes including Robert J. Thomas belonging to the gendarmerie of the U.S. Air Force Base in Kunsan beat Cha Pyong-ki and his brother and Yun Chu-son on the street, heavily wounding them.

South Korean people are now undergoing great misfortunes and pains due to the brutalities of the U.S. imperialist aggression troops in Kunsan and all other parts of South Korea.

**Seminar Held on Rectification of Japanese Policy**  
*SK0206151689 Pyongyang KCNA in English 1500 GMT 2 Jun 89*

[Text] Tokyo May 31 (KNS-KCNA)—A seminar demanding the rectification of the Japanese Government's policy towards Korea was held in Tokyo on May 27 under the sponsorship of the Japan-Korea Society for Cultural Exchange.

Speaking at the seminar which was attended by figures of various strata of Japan, Chief Director of the Japan-Korea Society for Cultural Exchange Yoshihisa Kajitani said that the Japanese Government's policy towards Korea was the worst one unparalleled in the world.

Speakers analyzed and criticized the wrong policy of the Japanese Government towards Korea and biased reports by Japanese press circles.

Exposing a negative stand of the Japanese Government regarding the reunification of Korea, they denounced the unfair act of the Japanese Government in having refused an application of a writer of South Korea Hwang Sok-yong who had visited Pyongyang for the postponement of his stay in Japan and others.

The policy towards Korea of the Japanese Government is an expression of the spirit of the past Japanese imperialist colonial rule over Korea and it is exerting a negative influence upon the Japanese people. The government should apologize to the Korean people for the present action while reflecting on its past, they said.

They stressed that it was important to arouse public opinion at home for a fundamental switchover in the Japanese Government's policy towards Korea and called for pooling the strength of the Japanese people for this.

**Military Delegation Leaves for Visit to GDR**  
*SK0106115789 Pyongyang KCNA in English 1003 GMT 1 Jun 89*

[Text] Pyongyang June 1 (KCNA)—A military delegation of the Democratic People's Republic of Korea headed by O Chin-u, member of the Presidium of the Political Bureau of the Central Committee of the Workers' Party of Korea and minister of People's Armed Forces, left Pyongyang today for a visit to the German Democratic Republic.

It was seen off at the airport by Yi Chong-ok, member of the Political Bureau of the WPK Central Committee and vice-president; Choe Kwang, Alternate Member of the Political Bureau of the WPK Central Committee and chief of the General Staff of the Korean People's Army; General Chon Mun-sop, vice-minister of People's Armed Forces and KPA Colonel General Cho Myong-nok and Senior Vice Admiral Kim Il-chol and other generals and officers.

The GDR ambassador, the charge d'affaires ad interim of the Soviet Embassy and military attaches of different embassies in Pyongyang were present at the airport.

**Anniversary of Kim Il-song's CDR Visit Marked**  
*SK3005154589 Pyongyang KCNA in English 1531 GMT 30 May 89*

[Text] Pyongyang May 30 (KCNA)—The Committee for Cultural Relations With Foreign Countries arranged today a film show and a photo exhibition on the occasion of the fifth anniversary of the official goodwill visit to the German Democratic Republic by the great leader Comrade Kim Il-song, General secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, at the head of a DPRK party and state delegation.

Invited there were GDR Ambassador to Korea Hans Maretzki and his embassy officials.

Chairman of the Committee for Cultural Relations With Foreign Countries Yi Mong-ho and other officials concerned and working people in the city were present.

The attendants saw photographs about the official goodwill visit of President Kim Il-song to the GDR at the head of a party and state delegation.

The attendants appreciated the Korean documentary film "The Great Leader Comrade Kim Il-song Visits the German Democratic Republic, Leading a Party and State Delegation."

**Delegations Leave for Yonsei University Meeting**  
*SK0906133689 Pyongyang KCNA in English 1014 GMT 9 Jun 89*

[Text] Pyongyang June 9 (KCNA)—The delegation of the Korean Preparatory Committee for the 13th World Festival of Youth and Students, the delegation of the Central Committee of the League of Socialist Working Youth of Korea and the delegation of the Korean Students Committee which are delegations of our side to talks between representatives of six organisations in the North and the South, and figures of all strata who will observe the talks, 24 in all, left Pyongyang this afternoon to participate in the talks which will be held at Yonsei University in Seoul on June 10.

The talks will be held as the delegations of our side to talks between representatives of six organisations in the North and the South supported and agreed to the proposal of the "National Council of Student Representatives" of South Korea to hold the talks at Yonsei University in Seoul in order to discuss the matter of participation of South Korean youth and students in the Pyongyang festival.

Officials of the Korean Preparatory Committee for the 13th World Festival of Youth and Students, the Central Committee of the League of Socialist Working Youth of Korea and the Korean Students Committee saw off the delegations.

They were warmly sent off also by many youth and students and citizens.

#### **New Student Council Group Formed in Seoul**

SK0206050089 *Pyongyang KCNA in English 0426 GMT 2 Jun 89*

[Text] Pyongyang June 2 (KCNA)—Some 300 students of 16 colleges in Seoul held an inaugural meeting of the Seoul District Federation of General Student Councils of Colleges at the College of Public Health attached to Korea University on May 29, according to a report.

In the inaugural declaration they called upon 30,000 students of colleges to pool their strength and take the van in achieving campus democracy.

#### **No's Broadcast Policy Speech Analyzed**

SK0906062689 *Pyongyang KCNA in English 0523 GMT 9 Jun 89*

["Who Is Real Violent Forces?"—KCNA headline]

[Text] Pyongyang June 9 (KCNA)—The South Korean puppets, branding the students and people who demand independence, democracy and reunification as "leftist violent forces" and their rallies and demonstrations as "illegal violent acts" creating "social unrest," are crying for "uprooting" them.

In his first "state policy speech" over radio No. 1 of South Korea on June 5 the traitor No Tae-u described the struggle of the student movement, labour movement and dissident democratic organizations for anti-U.S. independence and reunification, democracy and rights of labour as "violence of leftist class revolutionary forces," contending that they "should not be left alone."

A signed commentary of NODONG SINMUN today denounces the No group's outbursts aimed at mounting a more heinous anti-communist fascist offensive against the people as shameless a sophism as a thief crying "stop thief!"

The news analyst says:

Violence is the means of rule of the military dictatorial "regime" and a mode of its existence. It was the case with the successive military dictatorial "regimes" of South Korea, and the No Tae-u "regime" is also following suit, reviving the dark dictatorship of the "Fifth Republic."

The South Korean people rise in the movement for independence, democracy and reunification because the puppets put down their just demand by the violence of the military fascist dictatorship.

Describing the just struggle of students and people for independence, democracy and reunification as "violence of leftist class revolutionary forces" is a dastardly act designed to provide justification for their own violence.

The illegal violent forces that are blocking the democratic development of society and creating confusion in South Korea are none but the No Tae-u military gang.

The puppets must step down, instead of running riot to maintain their power by brandishing the sword.

#### **Paper Denounces No's 'Blockade' of Rallies**

SK3105051489 *Pyongyang KCNA in English 0434 GMT 31 May 89*

["Outrageous 'Blockade at Initial Stage'"—KCNA headline]

[Text] Pyongyang May 31 (KCNA)—NODONG SINMUN today in a signed commentary says it is a chief mode of suppression by the No Tae-u "regime" to "block at the initial stage" rallies and demonstrations of South Korean students and people by mobilizing all the suppressive forces.

Referring to the ferocity of the puppets' "blockade at the initial stage" such as rushing a large number of combat police to the scenes to block expected rallies and demonstrations, firing tear gas and gas guns frantically at the gathering people to stifle them and foil the rallies, and arresting people, the news analyst of the daily says:

The No group takes even the struggle for the right to existence as a target of its "blockade at the initial stage," to say nothing of the struggle for independence, democracy and reunification.

Today the puppets' moves for "blockade at the initial stage" are characterized by the fact that they are going on almost every day amidst the malicious anti-communist fascist offensive, and they are gaining in scope and getting all the more high-handed with the mobilization of even puppet army troops.



This, however, does not indicate the might of the No "regime." It shows that the "regime" has been utterly isolated from the masses of the people and the puppets are making last-ditch efforts to bolster up the tottering "regime."

The South Korean people should frustrate the reckless anti-communist fascist offensive of the No "regime" by their concerted efforts and block it at the initial stage so the military gang could not raise its head again.

#### **Investigation Results of Yi's Death Said False**

SK0206055289 *Pyongyang KCNA in English 0434 GMT 2 Jun 89*

[Text] Pyongyang June 2 (KCNA)—Papers here today brand the "final results of investigation" into the death of Yi Chol-kyu, a student of Choson University in Kwangju, South Korea, published by the puppet Kwangju District Prosecutor's Office, as a false advertisement of murderers.

A news analyst of NODONG SINMUN says:

They ascribed the death of Yi Chol-kyu to "drowning" caused by the mistake of the victim himself. This is a shameless baloney which can be heard only from the brazen-faced fascist gang, an old hand at lie and plot.

The No Tae-u group at first claimed that Yi Chol-kyu "was murdered because of controversy within the student movement." But, when the eyes of the masses flaming with hatred were turned on it, it dismissed the charge that he was murdered by torture as "a groundless rumor." It hushed up the evidences of murder ascertained in the course of post-mortem examination and staged a drama to present his death as "drowning."

The "final results of investigation" by the puppets are an extension of their intrigue to conceal their shocking atrocity in murdering the patriotic student by torture and the curtainfall on it. [sentence as received]

But no one would be duped by such thinly-veiled lie.

The No Tae-u group should stop talking the lie and frankly confess to its crime in murdering him by torture and apologize to the people.

A news analyst of MINJU CHOSON says:

The No Tae-u group is trying to cover up the truth of the murder committed by it at any cost and evade the responsibility and lull the struggle of the people. But the South Korean students and people will never tolerate that.

#### **WFTU Statement Urges Rev Mun's Release**

SK0906063489 *Pyongyang KCNA in English 0457 GMT 9 Jun 89*

[Text] Pyongyang June 9 (KCNA)—The World Federation of Trade Unions (WFTU) calls upon all the trade unions and democratic forces of all countries to sharply denounce the suppression of the trade unions and democracy in South Korea and put world-wide pressure on the South Korean authorities to immediately release Rev. Mun Ik-hwan and all other democrats and trade union members under arrest.

The WFTU urged this in a statement dated June 2 denouncing repression by the No Tae-u fascist clique.

Expressing firm solidarity with the South Korean workers in their struggle for the rights to existence and democratic rights, the statement strongly protested the arrest of trade union members and democrats by the No Tae-u fascist clique.

Among those arrested by the South Korean authorities are Rev. Mun Ik-hwan who visited Pyongyang out of desire for national reunification and many other democrats, said the statement.

It appealed to all the trade unions and democratic organizations in all countries to extend full support and solidarity for the South Korean workers and people in their struggle for vital rights, democracy and national reunification.

#### **Mun's Prosecution Said To Lack Legal Grounds**

SK0206050889 *Pyongyang KCNA in English 0450 GMT 2 Jun 89*

[Text] Pyongyang June 2 (KCNA)—The South Korean puppet Seoul District Prosecutor's Office on May 31 prosecuted Rev. Mun Ik-hwan who had visited Pyongyang on the charge of "direction, infiltration and escape under the National Security Law" and Yu Won-ho who accompanied him on the charge of "spying under the criminal law."

This indicates that the No Tae-u military fascist clique are going to punish them at all costs by branding Rev. Mun's visit to Pyongyang as a sort of "spying case" as had been faked up through the puppet Security Planning Board, declares NODONG SINMUN today.

Its news analyst says:

The scheme to impose criminal punishment on Rev. Mun and his companion by distorting a hard fact is a preposterous and shameless anti-communist plot framed arbitrarily by those dismayed at the powerful torrent toward reunification without any excuse, justification or legal ground.

The South Korean puppet clique charged Rev. Mun and his companion with "spying" when they returned after openly and lawfully visiting Pyongyang with passports issued by them. This means that they want neither dialogue with us nor reunification and are seeking a way out in reviving the dark rule of the "Fifth Republic" dictatorship, tightly shutting the door between North and South.

The news analyst continues:

The No Tae-u military fascist clique, pondering over the grave consequences of their illegal act challenging the desire of the whole nation for reunification, should unconditionally release Rev. Mun Ik-hwan and his companion and all other democratic figures wrongly taken into custody, repeal the "National Security Law," an anti-communist, fascist law, and immediately stop the fascist offensive against the national democratic forces.

**SKNDF Spokesman Denounces U.S. Imperialism**  
*SK0906051689 Pyongyang KCNA in English 0450 GMT 9 Jun 89*

[Text] Pyongyang June 9 (KCNA)—The spokesman for the Central Committee of the "South Korean National Democratic Front [SKNDF]" published a statement on June 3 denouncing the assaults on South Korean civilians by soldiers of the U.S. imperialist aggression forces and the brutal suppression of people by the No Tae-u flunkeyist traitors taking sides with them, according to radio "Voice of National Salvation."

Recalling that peasants in Maehyang-ri, Hwasong County, Kyonggi Province, recently destroyed 22 pieces of U.S. military equipment including 19 vehicles while waging a sit-in at a shooting range of the U.S. forces, the statement says:

This was an eruption of the long pent-up grievances of the South Korean people at the U.S. military occupation and colonial rule, a legitimate resistance for defence of their right to survive and a righteous patriotic struggle reflecting our people's anti-U.S. sentiments for independence.

Denouncing the indiscriminate assaults of the U.S. Air Force side on the villagers as an unpardonable national chauvinistic outrage, the statement says: the U.S. troops are liable to punishment for they are the very offenders in the incident.

Noting that the No Tae-u "regime" defended the U.S. troops, the aggressors, and brutally cracked down on the civilians, the victims, and is taking legal actions against all the participants in the sit-in, the statement says: This clearly shows that they are traitors who outdistance the five traitors of 1905 and most faithful dogs of the United States.

The statement stresses:

The U.S. forces are the root cause of all the evils in this land and the No Tae-u "regime" is their defender.

Our people will never pardon the criminal acts of the U.S. imperialist aggression forces and the flunkeyist treacheries of the No Tae-u "regime."

The United States must get out of this land with its forces and disband its military bases in South Korea and the No Tae-u pro-American dictatorial "government" which suppresses people, taking sides with the aggressors, must resign at once.

Our people will certainly expel the U.S. forces and their bases in this land, remove the pro-U.S. dictatorial "regime" of No Tae-u by a vehement anti-U.S., anti-"government" struggle and bring the new morning of independence, democracy and reunification.

**Decree on Central People's Committee Reshuffle**  
*SK0906053389 Pyongyang Domestic Service in Korean 2100 GMT 8 Jun 89*

[Decree issued by the DPRK Central People's Committee]

[Text] Decree by the Central People's Committee of the DPRK on appointing and relieving the chairman of the Central People's Committee State Inspection Commission of the DPRK:

The Central People's Committee of the DPRK relieves Comrade Hyon Mu-kwang of his chairmanship of the Central People's Committee State Inspection Commission as he was transferred to some other kind of duty and appoints Comrade Yi Yong-mu as the chairman of the Central People's Committee State Inspection Commission.

[Signed] Kim Il-song, president of the DPRK  
[Dated] 8 June 1989 Pyongyang

**Delegation Formed for World Youth Festival**  
*SK0106103589 Pyongyang KCNA in English 1020 GMT 1 Jun 89*

[Text] Pyongyang June 1 (KCNA)—The Korean youth and student delegation to the 13th World Festival of Youth and Students was formed.

The delegation headed by Choe Yong-hae, chairman of the Central Committee of the League of Socialist Working Youth of Korea (LSWYK), is composed of young officials selected from LSWYK organizations throughout the country and youths and students from industrial establishments, cooperative farms, educational, cultural and public health establishments, press organs and other domains.

During the festival, it will participate in political, cultural and art, sports and other functions and contribute to further strengthening friendship, unity and solidarity with youths and students from the five continents and adding significance to the festival.



**Preparations for Festival Opening, Closing**

SK0906110589 *Pyongyang KCNA in English 1004 GMT 9 Jun 89*

[Text] Pyongyang June 9 (KCNA)—Preparations for the opening and closing functions of the 13th World Festival of Youth and Students slated in Pyongyang early in July have been completed.

The opening and closing functions, most pompous events of the festival, will take place at the 150,000-seat May Day stadium built at Nungna islet on the River Taedong.

Upwards of 20,000 members of the background team and above 50,000 rhythmical performers will spread scenes of peculiar skill, beautiful canvases and rhythms on the ground, in the air and on the background.

Brass bands of thousands of men and women, a taborsers squad of hundreds of women, a horn bugle squad, a flag column, an orchestral band, a light music band, and Taegwon-do players will participate in the functions to stir up an atmosphere of welcome and celebration.

300-odd decorations and floats, big and small, will be displayed in the functions. The decorations will include a large folding screen 140 meters in width and 24 meters in height showing the superb scenery of world-famous Mt. Kumgang, a special stage of air cushions weighing several tons and measuring 1.5 meters in height and 21 meters in diameter, and flower petal stages, a maypole 24 meters high, large festive lanterns and large fans.

220,000 items of properties of several hundred kinds and 90,000 pieces of costumes of several dozen kinds will gorgeously decorate the functions.

Tens of kinds of Korean folk dances and several dozen famous musical pieces will be performed.

With the harmonious mixture of multitudes of people, decorations of all descriptions, beautiful costumes and properties, the grand opening function will reach the acme of beauty when it is combined with laser illumination and physical and chemical effects.

Joyous melodies of folk songs, folk dances overflowing with national sentiments such as sword dance and chaenggang dance, aerial acrobatics and other cultural and art events will decorate the last day of the festival.

Clusters of stars will appear in night scenes and starry dances spread, then in a twinkle snowstorm will rise to be followed by flower dances, presenting to the spectators scenes of night and day, spring and winter in sequence.

**Kang Hui-won at Kim Chaek University Rally**

SK0406035089 *Pyongyang Domestic Service in Korean 2300 GMT 30 May 89*

[Excerpts] The Kim Chaek University of Technology will be developed into an even more modern training center for technology and people of ability. On the wide land along the Taedong River, various areas for a 12-story-main school building, libraries, a research institute for integrated circuits, a gymnasium, and a 14-story dormitory, and other modern buildings will be constructed. [passage omitted]

A rally attended by builders, the school staff, and students of the Kim Chaek University of Technology, was held on the spot to thoroughly implement the great leader Comrade Kim Il-song's recent teaching on accelerating the construction of universities.

The rally was attended by Comrade Kang Hui-won, alternate member of the Political Bureau of the Central Committee of the Workers Party of Korea and vice-premier of the Administration Council; Choe Mun-son, responsible secretary of the Pyongyang Municipal Party Committee and chairman of the Pyongyang Municipal People's Committee; Choe Ki-yong, first vice-minister of the Ministry of Higher Education; and other functionaries concerned with the building of the city, the school staff, and the students of this university.

At the meeting, Yun Pyong-kwon, general director of the General Bureau of Construction of Pyongyang city, made a report. [passage omitted]

**\* Automation of Production Moves Forward**

41100028 *Pyongyang NODONG SINMUN in Korean 20 Mar 89 p 1*

[Editorial: "Let Us Accelerate the Automation, Robotization, and Computerization of Production More Vigorously!"]

[Excerpts] [Passage omitted] If we want to achieve the grand goals of the Third 7-Year Plan, we need to accelerate the automation, robotization, and computerization of production; and if we want to realize an overall technological transformation of the national economy, and constantly increase the nation's productivity, and thereby quickly enhance the communist economic system, we also need to automate and robotize the production process and introduce the FMS [flexible manufacturing systems]. [passage omitted]

Inasmuch as the task of automating, robotizing, and computerizing production is an industrial revolution, it cannot be accomplished without struggle. If you struggle too impatiently, it will make blockades appear even on a wide open road, and paralyze your initiative, rendering it impossible for you to advance any further. Emulating the spirit of Nagwon and the work style of the people of Kiyang, all functionaries and workers should mobilize

inner reserves to the maximum and vigorously accelerate the automation, robotization, and computerization of production by maintaining the revolutionary stand of self-reliance and fortitude and actively setting the collective wisdom and creative efforts of the masses in motion. The automation, robotization, and computerization of production is a task that our functionaries should carry out in a planned manner and with a firm grip.

Functionaries are accountable to the party and the revolution for technological transformation as well as for production in their units. The task of automating, robotizing, and computerizing the production process can be pushed forward vigorously only through active organizational work conducted by leading functionaries in their respective sectors and units. Leading functionaries involved in this task should put efforts into technological remodeling work as well as into immediate production, specify the objects and contents of technological remodeling in the development plans in their respective sectors and units, and vigorously push them forward by mobilizing the masses. [passage omitted]

At the same time, leading functionaries should strengthen creative cooperation among scientists, technicians, and producers in close coordination with scientific research organizations so that problems arising in the automation, robotization, and computerization of production may be solved effectively, one by one.

The machine tool, electronics, and automation industries play an important role in accelerating the automation, robotization, and computerization of production.

Only when these industries produce and supply modern machine tools and modern automation components and devices in a satisfactory manner will it be possible to expedite the automation, robotization, and computerization of the national economy. The machine tool, electronics, and automation industries should produce modern numerical control [NC] machine tools and robots on a large scale and increase in a planned manner the production of integrated circuits, electronic calculators, and other electronic components, automatic measuring instruments and automation equipment to suit the demands of reality. At the same time, they should further consolidate the foundations for the production of electronic materials, develop new electronic materials in greater quantities to satisfactorily meet the growing demand for them.

Improving the level of technical skills is an important requirement for the acceleration of the automation, robotization, and computerization of production.

Without improving the levels of technical skills of workers, it is impossible to accelerate the technological remodeling of the production process and skillfully operate modern technical instruments and apparatuses which are constantly improving. Functionaries and workers should constantly improve the levels of their technical

skills to suit the demands of the developing reality and become able to effectively operate and remodel NC machine tools, robots, electronic computers, and other modern technical hardware.

The automation, robotization, and computerization of production can be accomplished successfully only by stepping up partywide guidance in this field.

Party organizations at all levels should explain in depth to functionaries, scientists, technicians, and workers and imbue them with the party's demand and policy concerning the automation, robotization, and computerization of production; actively carry out political organizational work designed to implement this policy; and turn this task into a party committee task and vigorously push it forward. Party organizations in particular should assist administrative economic functionaries in a substantive manner so that they may spiritedly push this task forward by giving full play to their revolutionary spirit, while doing a good job of conducting work with scientists and technicians.

We must insure a more self-dependent and creative labor life for our workers, and effect a new qualitative quantum leap in socialist economic construction by vigorously accelerating the automation, robotization, and computerization of production to suit the reality of our country and the realistic demands of its socialist construction.

#### **Council of Religionists Formed in Pyongyang**

SK3105045289 *Pyongyang KCNA in English* 0421 GMT  
31 May 89

[Text] Pyongyang May 31 (KCNA)—An inaugural meeting of the Council of Korean religionists was held in Pyongyang on May 30.

It was attended by Choe Tok-sin, chairman of the Central Guidance Committee of the Korean Chondoist Association; Kang Yong-sop, chairman of the Central Committee of the Korean Christian Federation; Pak Tae-ho, chairman of the Central Committee of the Korean Buddhists Federation; Mun Chang-hak, vice-chairman of the Central Committee of the Korean Roman Catholic Association; and other representatives of religionist organizations.

Chong Sin-hyok, chairman of the Preparatory Committee for Forming the Council of Korean Religionists, and Paek Ryon-uk, member of the preparatory committee, made a report on the formation of the Council of Korean Religionists and read a draft programme, which were followed by speeches of representatives of religionist organizations.

The reporter and speakers said that the Council of Korean Religionists was being formed on the basis of the historical experiences of the past days when religionist organisations and many believers of different religions in Korea, urged by the national idea of patriotism, joined

hands in the anti-Japanese national liberation struggle, in the building of a new country after the liberation and in the great nation-wide struggle for the reunification of the country.

A programme of the Council of Korean Religionists was adopted and its chairman and vice-chairmen and members were elected at the meeting.

Chairman of the Central Guidance Committee of the Korean Chondoist Association Choe Tok-sin was elected chairman of the council, Chairman of the Central Committee of the Korean Christians Federation Rev. Kang Yong-sop, Chairman of the Central Committee of the Korean Buddhists Federation the Great Venerable Pak Tae-ho and Chairman of the Central Committee of the Korean Roman Catholic Association Kang Chae-chol, vice-chairmen of the council.

The meeting adopted a letter of the Council of Korean Religionists to the Council of South Korean Religionists.

**Choe Tae-pok Speaks on Musan Anniversary**

*SK2805094089 Pyongyang Domestic Service in Korean  
0900 GMT 22 May 89*

[Speech by Choe Tae-pok, secretary of the Central Committee of the Workers Party of Korea, at a central report meeting held on 22 May at the 2 February Cultural Hall in Pyongyang to mark the 50th Anniversary of the victory in the Musan District battle—live]

[Text] Comrades: Fifty years have passed since the historic Musan District battle which was recorded as a brilliant chapter in the history of the anti-Japanese armed struggle of the Korean people. The Musan District battle which was victoriously organized and led by the great leader Comrade Kim Il-song half a century ago was a historic battle which dealt serious blows to the Japanese imperialists' colonial rule over Korea and which vigorously demonstrated our people's indomitable revolutionary spirit and their heroic courage. The gunshot of victory that reverberated in Musan District is today encouraging our people to carry out heroic struggles and to perform exploits.

Under the solemn circumstances in which, under the wise leadership of the party and the leader, all of the people throughout the country are constantly effecting upsurges in socialist construction, and vigorously accelerating the historic march for the consummation of the revolutionary cause of *chuche*, today we are significantly celebrating the 50th anniversary of the victory in the Musan District battle. [applause]

Greeting the 50th anniversary of the victory in the historic Musan District battle I, in the name of the WPK Central Committee and the government of the republic, warmly congratulate the anti-Japanese revolutionary fighters who participated in the glorious anti-Japanese revolutionary struggle and performed heroic exploits in

the implementation of the sacred cause of the country's independence and the nation's liberation and who are today struggling, devoting their all, for the prosperity and development of the country and for the victory of the socialist and communist cause. [applause]

At the same time, I pay my lofty respects to the anti-Japanese revolutionary martyrs who sacrificed their noble lives in the sacred war for national liberation and for the people's freedom and happiness. [applause]

Comrades: The Musan District battle was a historic march toward the country which was organized and conducted according to the excellent plan and the wise leadership of the great leader Comrade Kim Il-song to expedite the cause of national liberation by expanding and developing the armed struggle against the Japanese imperialists into the country and by inspiring the whole nation to participate in an all-people's war of resistance. From his first period of leading the Korean revolution, adhering to the firm *chuche*-oriented stand that the master of the Korean revolution was precisely the Korean people and the decisive factor for its victory lay precisely in the strength of the Korean people themselves, the great leader Comrade Kim Il-song further ripened the plan to consummate the cause of national liberation by organizing and mobilizing the broad popular masses.

Presenting the revolutionary policy that to completely liquidate the Japanese imperialists' colonial rule and to achieve independence of the country, all of the Korean people needed to turn out in the sacred war against Japan and that toward this end the armed struggle had to be expanded and developed into the country, the great leader Comrade Kim Il-song sent young communists, operational teams of the Korean Revolutionary Army, and political operation team members into many areas of the country even in the early days of the revolution. Meanwhile, he personally visited the area covering Onsong and Chonsong many times to lead the activities of the revolutionary organizations in the country. He then actively pushed ahead with the work of turning the mountains along the Tuman River into a center of armed struggle.

The great leader Comrade Kim Il-song, who energetically pushed ahead with the work of building a strong fortress for the revolution by founding a guerrilla district along the Tuman River, founded the Fatherland Restoration Society, the first anti-Japanese national united front organization in our country, in the mid-thirties and expanded the organizational network of the society deep into the country. He then built secret military bases in the broad districts in the country and abroad, including the military camps on Mt Paektu, and more vigorously waged military and political activities in the country and in the border area.

The secret bases built in the area of Mt Paektu according to the strategic plan of the great leader Comrade Kim Il-song were the fortresses of our revolution upon which



the main forces of the Korean People's Revolutionary Army [KPRA] depended in their activities from the second half of the thirties to the first half of the forties. The great leader Comrade Kim Il-song vigorously led the military and political activities, using the secret bases in the area of Mt Paektu as the bases for his military command. Thus, he vigorously pushed ahead with the work of firmly defending the chuche-oriented line of the Korean revolution, preparing for the founding of the party, and expanding organizations of the Fatherland Restoration Society. Thus, he saw to it that a constant upsurge was effected in the overall Korean revolution with the anti-Japanese armed struggle as a cardinal struggle. [applause]

The great leader Comrade Kim Il-song, who waged the energetic activity to embody the chuche-oriented line of the Korean revolution, organized and led the historic Pochonbo battle in June 1937 and dealt serious military and political blows to the Japanese imperialist aggressors. Thereby, he bestowed the dawn of national liberation upon the people and led our people's anti-Japanese armed struggle for national liberation to a great leap.

Thanks to the active military and political activities of the KPRA which used the secret bases in Mt Paektu as its commanding bases, the activities of revolutionary organizations were strengthened in the wide areas in the country and abroad, as well as in the area of northern Korea and the broad popular masses' spirit of anti-Japanese struggle was further enhanced. As a result, the Japanese imperialists' maneuvers for aggression against the Asian continent became more unscrupulous and their fascist oppression and brigandish plundering against the Korean people were further intensified. This created a new grave obstacle to the Korean revolution.

Based on his scientific discernment of the contemporary prevailing situation, the great leader Comrade Kim Il-song more actively waged the struggle to lead the Korean revolution to a new upsurge. He convened the historic Nanpaitzu Conference in November 1938. In the conference he elucidated the strategic and tactical policies to deal serious blows to the Japanese imperialist aggressors and, thus, to constantly develop the Korean revolution by firmly adhering to the chuche-oriented stand. Thus, he actively surmounted the difficulties lying on the road of the revolution.

According to the policy clarified in the Nanpaitzu Conference the great leader Comrade Kim Il-song staged the arduous march of more than 100 days and, thus, successfully guaranteed the advance of the KPRA's main forces into the northern border area. In April 1939 he convened the conference of cadres of the KPRA in Peitaitingzu and set forth a plan to advance again into the fatherland while repeatedly defeating the Japanese imperialist aggressors through a strong counterattack.

The plan to advance into the fatherland set forth by the great leader Comrade Kim Il-song was a revolutionary plan in which the chuche-oriented stand and firm will of the Korean people to responsibly carry out to the end the Korean revolution by themselves was embodied. It was also an active plan which made it possible to repeatedly defeat the Japanese imperialist aggressors, to bestow the firm faith in victory upon the people, and, thus, to lead the overall Korean revolution to a constant upsurge. [applause]

The great leader Comrade Kim Il-song led the KPRA units to launch strong spring counterattack operations in the border area as a step to the successful implementation of the plan to advance into the fatherland. Thus, he drove the Japanese imperialist aggressors into confusion and a corner and led the KPRA units to make complete military and political preparations for the advance toward the country.

On the eve of embarking on his operation to advance into the fatherland, the great leader Comrade Kim Il-song personally went to the secret camp in Mt Changpaek, crossing the Yalu River, and acquainted himself with the enemy situation, the composition of the inhabitants, and the terrain in the Musan area in detail through the small units and political operatives struggling in the secret camp in Mt Paektu. Based on this, he mapped out the operational plan of the main forces of the KPRA to advance into the Musan area and then embarked on the road of advancing toward the fatherland.

On 18 May 1939 the great leader Comrade Kim Il-song broke through the border security line, which the Japanese imperialists boasted was an impregnable fortress, leading the main forces of the KPRA, and finally advanced into mountain peaks of the fatherland. Members of the KPRA units who embarked on the road of advance toward the land of the fatherland, upholding and following the respected and beloved leader Comrade Kim Il-song, were filled with infinite emotion and actively waged political propaganda activities with the firm determination to expedite the day of national liberation by brilliantly implementing the comrade commander's operational plan.

Members of the KPRA, including Comrade Kim Chong-suk, the indomitable communist fighter, wrote revolutionary and militant slogans on giant trees on the mountain peaks to bestow hope and courage for national liberation upon the oppressed people in the fatherland and to vigorously inspire them to struggle against Japan.

Arriving at Pyogy Peak via Konchang, leading the KPRA troops, the great leader Comrade Kim Il-song convened the conference of KPRA commanders; scientifically analyzed the contemporary prevailing situation and the enemy's tactical attempts; and, based on this, unfolded bold operations to rapidly advance toward the Musan area.

According to the expedient, flexible, and bold operation plan elucidated by the great leader Comrade Kim Il-song, the main forces of the KPRA passed through Samjiyon, continued to march forward majestically in the broad daylight along the Kanmu security road which was built by the Japanese imperialists to mop up the anti-Japanese guerrillas, and finally arrived in Mupo. Here, the main forces of the KPRA advanced toward the two directions of Singechok and Sinsadong, while mopping up and destroying the enemy, and finally liberated these areas.

Upon hearing the news of the KPRA's victorious advance, the people in the Musan area unanimously turned out and warmly welcomed the great leader, shouting "Long live General Kim Il-song!" and "Long live independent Korea!"

The respected and beloved leader Comrade Kim Il-song acquainted himself with the situation of workers at a timber mill and the people in the Musan area. Before the people in Sinsadong he made an historic speech: "Let Us Actively Turn Out in the Struggle Against Japan To Expedite National Liberation." In the speech, the great leader Comrade Kim Il-song sternly condemned the Japanese imperialists' crime of having turned our beautiful land of 3,000 ri into a living hell and fervently appealed to the entire nation to firmly unite as one in the anti-Japanese struggle front and to vigorously struggle in order to drive out the Japanese imperialist aggressors and to expedite the day of building a new prosperous Korea in which workers and farmers would become the masters of sovereignty.

The respected and beloved leader Comrade Kim Il-song's historic speech was an immortal torchlight that implanted the conviction of national survival and victory of revolution in the hearts of the Korean people who were moaning under the colonial rule of the Japanese imperialists. It was also a great banner of struggle that made the masses of the broad strata, including the workers and peasants, rise up vigorously in a sacred war for national liberation by uniting them firmly around the united anti-Japanese national front. [applause]

Flustered by the KPRA's foray into Musan District, the Japanese imperialists frantically chased after it by mobilizing a large number of troops. Seeing clearly through the enemy's insidious plot, the great leader Comrade Kim Il-song completely wiped out the enemy's garrison guards and scouts which were in pursuit with a surprise ambush on the Taehungdan plain on 23 May by employing a unique strategy of having the unit's main force lay in ambush and other ranks lure the enemy, and thereby brought the historical operation of advance into Musan area to a brilliant victory. [applause]

Indeed, the operation of the advance into Musan area was a significant advance into the homeland which fully demonstrated the indestructible might of the KPRA by driving the enemy into the greatest unrest and fear with

the skillful combination of superb combat organization and continual strikes, of a bold swift march and the tactics of allurement and ambush, and of military and political activities.

The KPRA's advance into the homeland and its victory in the Musan District battle were a historical event of weighty significance in translating into practice the plan for national liberation of the great leader Comrade Kim Il-song to smash the colonial rule of the Japanese imperialists and realize the independence of the country and the sovereignty of the nation by the strength of the nation itself. [applause]

The great leader Comrade Kim Il-song has taught: The Musan District battle was indeed a meaningful battle that greatly encouraged the spirit of the people in the homeland in their anti-Japanese imperialist struggle and had an enormous impact on making the revolutionary movement expand further.

The Musan District battle inspired the people with confidence in the victory of the revolution and heightened their spirit of the anti-Japanese struggle and opened the new phase of a turn toward constantly strengthening and developing the Korean revolution as a whole, centering around the anti-Japanese armed struggle.

Before and after the Musan District Battle, the situation in our country was grave, our people were in a very miserable condition, and there was a grave obstacle on the road to the Korean revolution. The Japanese imperialists, who were then enthused over an invasion of the continent after provoking the Sino-Japanese war, unrelentingly sucked the life blood of our people by fabricating a fascist evil law, namely the law for all-nation mobilization, and mercilessly suppressed even the slightest anti-Japanese factor by fabricating such intelligence and strategic institutions as the Korean Anticommunist Association.

In a bid to strangle the Korean revolution which continued to grow stronger and develop itself mainly on the strength of its armed struggle, the bestial Japanese imperialists persistently carried out a large-scale punitive expedition against the KPRA by mobilizing hundreds of thousands of troops, while destroying the revolutionary organizations, including the infrastructure of the Korean Association for National Independence by kicking off the whirlwind of a roundup on a previously unknown scale. The Japanese imperialists also indiscriminately arrested, imprisoned, and massacred the communists and patriotic people. Noisily clamoring about Japan and Korea being one, about the two countries having descended from the same ancestors, and about the two countries standing on the same roots, the Japanese maneuvered to atrophy our people's spirit of independence and class consciousness, while heinously scheming to root out even our people's hope for national liberation.



Precisely at such a moment, a large unit of the KPRA, after making an advance into the Musan area, conducted bold military and political activities, made known the fact that the KPRA was alive and well, clearly demonstrated that it was scoring victories in brave battles against the Japanese imperialist aggressors, and vigorously encouraged and propelled the people toward the struggle against the Japanese imperialists.

As the news on the KPRA advance into the homeland and on the Musan area battle was spreading, while creating great repercussions, countless youths followed the great leader in turning out in seeking the cause of the fatherland's liberation, people of all walks of life firmly rallied around the Fatherland Restoration Society, and the struggle against the Japanese imperialist aggressors was intensified in various forms across the nation.

As a result, following the Musan District battle, our people's anti-Japanese national liberation struggle made even more ceaseless progress mainly waging armed struggle.

The victory won in the operation of advance into the Musan area made the Japanese aggressors suffer a miserable and incurable military and political defeat. As a result, the myth of the might of the Japanese imperialists, who were boasting of the invincibility of the emperor's army, was completely shattered, they were driven into uncontrollable horror and panic, and their colonial rule over Korea was shaken to its root.

The victory which the KPRA won in the operation of advance into the homeland, by making the Japanese imperialists divert such a huge armed force which they had mobilized for the invasion of the continent to defend the security of the rear area, frustrated their ambitious scheme intended to quickly conclude the war of invasion against the continent.

Indeed, the operation of advance into the Musan area organized and led by the respected and beloved leader Comrade Kim Il-song was a historic battle that shed a brilliant ray of the victory that would be won in the anti-Japanese revolution on the fatherland covered by dark clouds and vigorously displayed the indomitable fighting spirit of the Korean people and their heroism to the world. At the same time, it was a great triumph of the respected and beloved leader's chuche-oriented revolutionary line and policy that the Korean people must take responsibility for carrying out the Korean revolution. [applause]

With an outstanding strategic plan to lead the Korean revolution to ceaseless upsurges through the consolidation and development of the victory won in the operation of advance into the homeland, the great leader Comrade Kim Il-song widened the bases of the anti-Japanese revolution by expanding the stage of struggle to the northeast region of Mt Paektu and intensified the military political activities in the vast region of northeastern Korea.

Following the Musan District battle, in addition to the active military and political activities in the northeastern region of Mt Paektu, the KPRA units waged brave and undaunted battles and operations in the northern region of Korea and in the southwestern region of Mt Paektu, under the wise leadership of the great leader Comrade Kim Il-song. As a result, the Japanese imperialist aggressors ceaselessly suffered miserable defeats everywhere they went, the spirit of the people of all walks of life soared further, and a favorable condition was provided to conduct the operation of homeland liberation aggressively.

The revolutionary slogans, relics, and materials, which have been ceaselessly unearthed of late in the northern region of Korea, mainly around the secret camp of Mt Paektu, and in the central region of Korea, including Mangyongdae, Oun-tong, and Taesongsan hill in Pyongyang, even more clearly show, with living factual materials and documentary evidence, that the anti-Japanese armed struggle, which was organized and led by the great leader Comrade Kim Il-song, was vigorously waged on a pan-national scale by using the secret camp of Mt. Paektu as the main base of leadership.

Many slogan-bearing trees, which have been found in the northern and central regions of Korea, are the fundamental proof of the immortal revolutionary history of the respected and beloved leader Comrade Kim Il-song and of the greatness of his anti-Japanese revolutionary struggle, and are boundlessly precious eternal assets for further enriching and glorifying our party's glorious revolutionary tradition. [applause]

By using the secret camp of Mt Paektu as a base of leadership, the great leader Comrade Kim Il-song more persistently carried out the work to strengthen the basic strength of our revolution and to usher in the great day of fatherland liberation, finally smashing the Japanese imperialist aggressors and achieving the historic cause of the fatherland's liberation.

With the victory of the anti-Japanese revolutionary struggle, the Japanese imperialist colonial rule ended and the cause of national liberation was brilliantly achieved in our country. Thus, our people extricated themselves from the protracted disgraceful yoke of colonialism and slavery. And they have become the dignified master of the country and of sovereignty. Amid the flames of the unprecedentedly arduous anti-Japanese revolutionary struggle, the powerful main force of our revolution was provided, and our party's glorious revolutionary tradition was established. This constituted the firm guarantee of victory in our people's struggle for building a new fatherland and a new society. [applause]

By brilliantly embodying the revolutionary tradition of chuche under the wise leadership of the great leader Comrade Kim Il-song, our party has been able to victoriously carry out the great cause of achieving the popular masses' independence, and, at the same time, our people

have been able to achieve constant progress while creatively pioneering the road of socialism and communism along the course of independence.

The cause of the Korean revolution which has traversed the single road of victory, while surmounting the arduous trials of history, is today consistently developing at the high stage of modeling the whole society after the *chuche* idea under the tested leadership of our party, and our revolutionary ranks, which have been firmly rallied around the leader and the party as a single-hearted body, have been more firmly deepened. [applause]

The proud course of struggle of our people who have effected epochal changes in the grand construction work and who have created the history of heroic exploits in the arduous revolutionary struggle has clearly proven that the strength of the people who are firmly united as one mind around their party and leader under the revolutionary banner of *chuche* are ever-victorious and invincible. [applause]

All of the changes effected in our country and all of the glory and happiness that our people are enjoying today cannot be contemplated apart from the excellent and tested leadership of the great leader Comrade Kim Il-song.

At this significant meeting celebrating the 50th anniversary of the victory of the historic Musan District battle I respectfully extend utmost glory and warmest gratitude, together with our people's infinite reverence and burning loyalty, to Comrade Kim Il-song, the great leader of our party and people, who achieved national liberation and provided the revolutionary tradition of *chuche* by organizing and leading the anti-Japanese revolutionary struggle to victory; who has built a powerful, rich, prosperous, independent socialist state on this land; and who is wisely leading our people's socialist and communist construction to a constant victory. [applause]

Comrades: For half a century since the historic Musan District battle our revolution has traversed the road of glory and victory, and our people have made constant progress. However, our revolution has not ended yet. Therefore, our people are today faced with the heavy but honorable task of consummating to the end the revolutionary cause of *chuche* which was first pioneered in the forests of Paektu. We should continue to struggle, firmly adhering to the resolute spirit of struggle against imperialists and the thorough *chuche*-oriented stand that our people demonstrated in the Musan area battle 50 years ago. Thus, we should achieve the independent and peaceful reunification of the country and establish national sovereignty in a nation-wide scope.

Reunifying the divided country is our people's urgent task which should not be delayed any longer. Without reunifying the country our brethren cannot extricate

themselves from the pain and sufferings caused by the division of the nation nor can the unified development of the country and the grandeur and prosperity of the nation be achieved.

Peacefully resolving the reunification question of the country through dialogue and negotiations is the unanimous demand of all the Korean people today. This also accords with the trend of the present era. Proceeding from the desire of the nation to resolve the reunification question of the country independently and peacefully by pooling the strength and wisdom of the nation, our party and the government of the Republic have put forth many fair, aboveboard, and reasonable policies and proposals, including the proposal for holding a political consultative conference between leading figures of the North and the South, and have made active efforts to realize multilateral dialogues between the North and the South.

Regardless of our persistent and sincere efforts, the reason dialogue and negotiations are not being achieved smoothly and the issue of reunification is not being solved resolutely, are completely due to the splittist line and war maneuvers of the U.S. imperialists and the followers of that line, the South Korean puppet clique.

For almost half a century, the U.S. imperialists have occupied the other half of our fatherland, playing the role of master. Also, they are mercilessly trampling the South Korean people's national dignity and sovereign rights, and are frantically obstructing our fatherland's reunification.

The unchangeable aggressive ambition of the U.S. imperialists is to endlessly keep South Korea as their colonial military base and nuclear advanced base, and to realize the domination of all of Korea and furthermore, other countries in Asia. While persistently pursuing the endless division of Korea into two parts from this criminal-like Asian strategy, the U.S. imperialists are reinforcing and concentrating on a large scale the South Korean forces, and are frequently holding large-scale war exercises such as the "Team-Spirit" joint military exercise to intentionally strain the situation on the Korean peninsula.

Traitor No Tae-u, who is sitting on the seat of power under the instigation of the U.S. imperialists, is positively following the aggressive strategy of his master while turning his back on our rational and practical proposals for peace and reunification, and is running hard toward the road of confrontation and war and permanent national division.

Under the pretext of Rev Mun Ik-hwan, a South Korean off-stage figure who visited Pyongyang and came back, the No Tae-u ring is conducting an unprecedented anti-fascist offensive.

The reason the South Korean puppet clique announced the result of the investigation which is from first to last contradictory, false, and fabricated, was to make Rev.

Mun Ik-hwan's visit to Pyongyang look like some sort of espionage activity. This raised a great shock wave in the South Korean society with its ugly aim of turning the accumulated discontent the South Korean people hold toward them toward the North; obliterating the struggle of the people who aspire independence, democracy, and reunification; and trying to bring the crisis of fascist rule, which is collapsing, under control.

Concerning Rev Mun Ik-hwan's visit to Pyongyang, purely and simply he visited Pyongyang in response to our invitation and achieved great agreements with us, an achievement that will contribute to the nation's reunification. This was very just and natural, and a righteous act.

Nevertheless, regarding Rev Mun's visit to Pyongyang as illegal, and arresting and detaining him, wholly strengthening the suppressive atrocities against the patriotic forces, the No Tae-u ring clearly shows once again that it has not even a bit of national conscience or will for reunification.

I firmly denounce the antireunification and antinational act by the South Korean puppet clique which regards the visit to Pyongyang by Rev Mun Ik-hwan and his entourage as if it were a criminal act and promotes it as a cause for North-South confrontation, smashing the reunification atmosphere of the South Korean people, and which finds excuses to suppress the patriotic democratic forces. [applause]

The overall road toward anticommunist fascism which the South Korean authorities chose cannot by any means be the correct prescription in resolving the situation. On the contrary, it can only result in promoting their destruction.

The South Korean authorities should learn lessons from the last days of the tragic Yusin dictator and from the dishonorable fate of the Fifth Republic dictator. Also, Rev Mun Ik-hwan who was arrested wrongfully, and all democratic figures must be released at once unconditionally.

Opposing the interference of the foreign power and working to open the road toward reunification of the fatherland through the strength of our nation alone is an aspiration which cannot be prevented among the South Korean people.

Under the anti-U.S. banner for independence, today's South Korean youths, students, and people of all strata are concentrating the arrow of offense on opposing the U.S. imperialists, who are the colonial occupying forces and the ugly enemy, for democratic reunification. Also, they are fighting courageously for the society's democratization and the fatherland's peaceful reunification.

We send the support and encouragement of warm fraternal love to the South Korean youths, students, and people of all strata who are vigorously carrying out the just patriotic struggle without yielding to the brutal fascist suppression of the U.S. imperialists and the South Korean puppet clique. [applause]

Reunifying the fatherland is not done just by a special class and strata or authority, but by a nationwide great cause that should be achieved by joining together the efforts of the whole nation.

A person who truly loves the country and nation and worries over the fate of the fatherland, should not be afraid of going in front of the arena for dialogue where people of all strata go to solve the issue of reunification, and should not disturb them at all.

The South Korean authorities should look straight at the general trend, stop at once the war policy and maneuvers to fabricate two Koreas which goes against the fatherland's reunification, abolish various evil, fascist laws including the National Security Law, and realize democratization in the social and political life in South Korea.

The United States must no longer swim against the tide of the times and must leave South Korea without delay, taking along its aggression troops and all types of weapons of mass destruction, including nuclear weapons.

National reunification is not something of the distant future, but a pressing and practical task that awaits a solution. Already at our disposal we have the three principles—of independence, peaceful reunification, and great national unity—that have been agreed upon by both the North and South and recognized by the world, excellent principles that are capable of settling the reunification question on the basis of the concrete realities of our country where different ideologies and systems exist in the North and South. We also have at our disposal the proposal for the founding of democratic confederal republic of Koryo [DCRK] which has embodied the three principles.

Founding DCRK is the only way, the most straightforward way, to settle the reunification question, by independent and peaceful means, in conformity with the common demand and will of the nation by the united strength of the nation. [applause]

All the fellow countrymen in the North and South and abroad should join in the pan-national struggle to smash the maneuvers of the splittists within and without for fabricating two Koreas and to realize national reunification at an early date by firmly uniting in the name of national reunification.

Although there are still many obstacles on the road to national reunification, we will achieve, without fail, the historical cause of national reunification by the united strength of the nation, upholding the proposal for the independent national reunification put forward by the great leader Comrade Kim Il-song. [applause]

The prevailing situation and the revolutionary tasks now facing us require that the driving force behind our revolution be further strengthened.



All the people should arm themselves firmly with our party's chuche idea, establish a clear-cut chuche-oriented outlook on the world, and cement more rock-firm the single-minded unity of the leader, the party, and the masses. [applause]

All the party members and working people should prepare themselves more firmly as true revolutionary warriors who are boundlessly faithful to our party's cause and who are determined to defend and safeguard the party Central Committee led by the respected and beloved leader Comrade Kim Il-song, politically and ideologically, and at the risk of their lives.

Our party's revolutionary traditions established in the course of the bloody anti-Japanese revolution are mighty, ever-victorious weapons that guarantee the final victory of the chuche revolution as well as an ever-lasting cornerstone of our party.

All party members and working people should fervently defend and safeguard our party's glorious revolutionary traditions, faithfully inherit them from generation to generation, and thoroughly embody them in all areas of the revolution and construction.

By highly displaying the revolutionary spirit of Mt Paektu and the revolutionary spirit of self-reliance and arduous struggle, all the functionaries, party members, and working people should more vigorously accelerate the great march of socialist construction and brilliantly realize our party's program for grand socialist construction by effecting a new great upsurge in all areas of the revolution and construction.

By guaranteeing a successful holding of the 13th World Festival of Youths and Students, to be held under the ideals of anti-imperialist solidarity, peace, and friendship, we should once again demonstrate the indomitable might of our people who are rallied around the party and leader before the whole world and further strengthen the international solidarity with our revolution.

Under the banner of anti-imperialism and independence, our people will, as in the past, vigorously struggle for the construction of an independent and peaceful new world against imperialism and colonialism in strong unity with the people of the socialist countries and nonaligned countries, and all the progressive people of the world. [applause]

The cause of the Korean revolution which is vigorously advancing under the banner of the great chuche idea and the banner of the three revolutions—ideological, technological, and cultural—is ever-victorious and indomitable and the future of our people who are struggling for the just cause under the wise leadership of the party and leader is brilliant and eye-dazzling. [applause]

Let us all vigorously struggle for the complete victory of socialism, for the independent reunification of the country, and for the consummation of the chuche cause by rallying firmly around the party Central Committee led by the respected and beloved leader Comrade Kim Il-song. [applause]

Long live Comrade Kim Il-song, the great leader of our party and people! [applause; shouts of slogans]

Long live the glorious Workers Party of Korea, the organizer and guide of all victories achieved by the Korean people! [applause; shouts of slogans]

### South Korea

#### Four Joint Ventures With China Suspended

SK0906030089 Seoul YONHAP in English 0300 GMT  
9 Jun 89

[Text] Seoul, June 9 (YONHAP)—South Korea has indefinitely suspended investments in four joint ventures in China worth more than 7 million U.S. dollars.

But a government council, meeting to discuss the possible effects of the unrest in China, decided to push ahead with inauguration of a direct container line to China June 17.

The suspension affects Tong-a Pharmaceutical Co., Daelim Trading Co., Hanguk Belt Co., and Hanbee Industrial Inc.

They had already signed draft contracts with their Chinese joint venture partners and were awaiting government approval.

Tong-a was to invest 500,000 dollars in a 1.5 million dollar project to build a glass bottle factory in Qingdao, and Daelim planned to invest 2.25 million dollars in a 5.5 million dollar project to construct a stainless steel plant in Tianjin.

Hanguk planned to build a 6 million dollar belt factory in Qingdao, investing 3.6 million dollars, and Hanbee was going to invest 1.2 million dollars in a 2 million dollar project to build a footwear factory in Weihai.

The first container ship to serve on a direct shipping line between the two countries leaves Korea's western port of Inchon on June 17 as scheduled.

The vessel is scheduled to call at Shanghai, Tianjin and Dalian after stopping at the southern Korean port of Pusan.

A report submitted to the council by a government agency predicted that China's open-door and economic reform policies will continue despite the current turmoil because the country depends on western nations for 90 percent of its external trade and foreign capital.

However, the report said, the speed and scale of the opening and reforms will be affected considerably.

Korean exports to China reached 1.7 billion dollars in 1988, an impressive 109 percent rise over a year earlier.

The growth has slowed sharply since January this year, and is almost at a standstill since China's plunge into chaos.

As of the end of June, eight Korean firms were operating plants in China—two in Beijing, four in Guangdong and another two in Fujian—and they had invested some 10 million dollars.

#### **KAL To Begin Flights to China, Vietnam**

SK3105024089 Seoul THE KOREA TIMES in English  
31 May 89 p 3

[Text] Korea will inaugurate flight services to China and Vietnam within this year, said Cho Chung-hun, chairman of Korean Air [KAL].

In an interview with the ASAHI SHIMUN Monday, Cho said that KAL will fly chartered planes to and from China shortly in accordance with an agreement with Chinese aviation authorities.

As far as flights to Vietnam are concerned, Cho said, KAL has no problem in launching services because the aviation pact signed between Seoul and Saigon is still effective.

As for flight services to the Soviet Union, Cho said that they will not materialize this year because of some problems involved, such as the development of Siberia and payment of fees for using Soviet airspace.

#### **Minister Comments on Ties With PRC, USSR**

SK0806225789 Seoul YONHAP in English 0754 GMT  
8 Jun 89

[Text] Seoul, June 8 (YONHAP)—South Korean Foreign Minister Choe Ho-chung said Thursday he expects Korea's relations with China to continue to expand despite the current turmoil in Beijing.

"Trade with China rose to 3.2 billion U.S. dollars last year and exchange visits drastically increased to 9,400 persons," Choe said in a lecture to government officials in charge of foreign trade.

"Exchanges on the government level, including opening of trade offices, are being sought with China," Choe said.

The government will push forward with diplomatic initiatives in three areas—China, the Soviet Union and other communist countries—and will try to establish consular and official relations with Beijing and Moscow commensurate with economic cooperation, he said.

"The improvement of relations with the Soviet Union in non-political sectors is accelerating and we expect an early upgrading of bilateral relations," Choe said.

#### **Docking of Communist Vessels Reportedly Triple**

SK0906073889 Seoul YONHAP in English 0729 GMT  
9 Jun 89

[Text] Seoul, June 9 (YONHAP)—Communist-flag vessels docking in South Korea tripled in number in the first four months of this year, the Korea Maritime and Port Administration (KMPA) reported Friday.

KMPA said 117 vessels from East-bloc nations have made port calls, up from 39 in the same period a year earlier.

Poland, Yugoslavia and East Germany have opened regular service while the Soviet Union and Vietnam have increased irregular shipments of fish, scrap iron and cereals to Korea, the report said.

Many communist-flag vessels put in at Korean ports for repairs or supplies.

Soviet ships, the most frequent visitors with a surprising 19-fold jump from three a year ago to 56, occasionally called at the Hyundai shipyard in Ulsan for repairs or delivered molasses, scrap iron and fish to Korean importers.

Second was Yugoslavia with 32 vessels, followed by Poland (14), East Germany (eight) and Vietnam (seven), which is trying to inaugurate a regular service.

Top ports were Pusan, Inchon and Ulsan, but communist ships also called at Pohang, Masan, Kunsan and Yosu.

KMPA predicted that communist countries will further increase the frequency of visits to Korea. Hungary is the only communist country that has diplomatic ties with South Korea.

A Sino-Korean joint venture will open a direct line with a regular biweekly containership service June 17, and the state-run Vietnam Ocean Shipping Co. will start service in July.

The Soviet Union is also promoting a regular direct shipping route.

#### **Travel to Communist Countries 'Soaring'**

SK0906094189 Seoul YONHAP in English 0811 GMT  
9 Jun 89

[Text] Seoul, June 9 (YONHAP)—Travel between South Korea and communist countries is soaring despite lack of diplomatic ties, statistics released Friday by the Korea Tourism Promotion Corp. show.



As of the end of April, 10,990 travelers from China, the Soviet Union, Poland, Yugoslavia and other communist nations had visited Korea, up elevenfold from 913 in the same months last year.

Chinese topped the list with 3,835, followed by the Soviet Union (2,378), Poland (2,092), Yugoslavia (1,301), Vietnam (619) and East Germany (397).

Other visitors were from Hungary (278), 15 from South Yemen and seven from Angola, Bulgaria and Afghanistan.

The number of Hungarian visitors is surprisingly low given that Seoul and Budapest established full diplomatic relations last February, a tourism official said.

In the same period, 496 Koreans visited communist countries, up 86.5 percent from 266 one year earlier.

China was top with 328 visitors, followed by Hungary (52), the Soviet Union (44), Bulgaria (43) and Czechoslovakia (9).

The official said travel between China and Korea is expected to grow this year if the turmoil comes to a satisfactory conclusion.

Travel from communist nations increased to 19,479 visitors in 1988 because of the Seoul Olympic games, up from 1,139 in 1985, 1,656 in 1986 and 1,784 in 1988.

Koreans visiting communist nations have gradually increased from 227 in 1985 to 521 in 1986, 842 in 1987 and 995 in 1988.

**Yugoslavia, Poland To Ease Visa Requirements**  
*SK2705072389 Seoul YONHAP in English 0709 GMT 27 May 89*

[Text] Seoul, May 27 (YONHAP)—Yugoslavian and Polish Governments have recently informed their South Korean counterpart of their decision to ease visa requirements for South Koreans, Foreign Minister Choe Huchung said Saturday.

"We understand the actions of the two countries as a precursor to the improvement of diplomatic relations," he said.

The Yugoslavian Government, Choe said, has said it would authorize its diplomatic mission chiefs to issue three-month visas to Koreans with diplomatic, official or general passports at their own discretion.

The Polish mission chiefs based overseas will be allowed to use their own discretion in deciding whether to issue visas to the South Koreans with general passports. They

will, however, be instructed to consult with their headquarters first before deciding whether to grant visas to South Korean diplomats and government officials, it was also said.

Hungary, which set up diplomatic relations with Korea in February, and the Soviet Union have already eased their visa policies for Koreans.

Korea issues visas to citizens of countries with which it has no diplomatic relations at the discretion of mission chiefs.

Hungary, Yugoslavia and Poland were among the first East European nations to respond when President No Tae-u declared in July last year, two months before the Seoul Olympic games, that he would seek to improve relations with communist nations.

Hungary opened a trade office in Seoul two months after the Olympic games and elevated relations to the ambassadorial level in February.

Yugoslavia followed suit by opening a trade office earlier this year and Poland did the same this week.

Expectations have risen in recent months for early establishment of full diplomatic relations with Yugoslavia and Poland.

Korea, which fought a fratricidal war with the North, had avoided diplomatic ties with the communist countries.

**Banks Seek Offices in East Bloc, China**  
*SK0906041889 Seoul YONHAP in English 0235 GMT 9 Jun 89*

[Text] Seoul, June 9 (YONHAP)—South Korean banks are seeking to open liaison offices in China, the Soviet Union and Hungary, a bank source said Friday.

Soaring trade with the communist bloc, reaching 3.65 billion U.S. dollars last year, has created a compelling need for banking services in the three countries, the source said.

Yi Yu-min, vice chief of the Bank of China, supported a Korea Exchange Bank (KEB) bid to set up a liaison office in Beijing when bank President Yi Yong-man visited Beijing to attend the general meeting of the Asia Development Bank last month, he said.

The state-run Korean bank recently sent a formal follow-up letter to the Bank of China asking for a permit to open the liaison office and the Chinese Central Bank confirmed its support in a telephone call.

KEB is also studying the opening of a liaison office in Moscow, and Soviet bank officials inquired about the plan during their visit to Seoul last month, the source said.

The Commercial Bank of Korea is seeking to launch a banking service in Hungary.

### **BOK Head Expresses Aims**

SK0906021489 Seoul YONHAP in English 0148 GMT  
9 Jun 89

[Text] Seoul, June 9 (YONHAP)—South Korea hopes to establish full-scale trade and investment exchanges with East European nations, Bank of Korea [BOK] Governor Kim Kun said Friday in Yugoslavia.

Kim made the remark in a speech, titled "The Experience From the Development of Korean Economy," at the World Scientific and Banking Meeting in Dubrovnik. The meeting runs from Wednesday through Saturday.

He said Korea is driving forward diversification of its export markets and import sources to redress the trade structure, and will become a creditor nation at the end of this year because of an economic recovery since 1985 helped by the "three lows"—the low price of crude oil, the low value of the U.S. dollar and low international interest rates.

The country will focus economic policy on stabilization and distribution rather than brisk growth and will pursue economic development through market opening, liberalization and readjustment of industrial structures, Kim said.

The meetings were begun by Marshal Tito in 1977, when he was Yugoslavian president, to discuss South-South cooperation and foreign debts.

### **Government Bans Barter of Soviet Marine Products**

SK0206023389 Seoul YONHAP in English 0143 GMT  
2 Jun 89

[Text] Seoul, June 2 (YONHAP)—The government, pouring cold water on prospects for South Korean trade with the cash-starved Soviet Union, has slapped a ban on imports of marine products bartered for merchandise or service exports to communist nations.

"The domestic market will be supplied by marine products caught by Korean fishermen, and if more are needed they will be supplied by nations that have either diplomatic ties with Seoul or cooperative relations in fisheries projects with Seoul," a spokesman for the Fisheries Administration said Friday.

"Payment in the form of marine products in return for goods or services exported to the Soviet Union, which lacks diplomatic ties or cooperative relations in fisheries, is impermissible," he said.

The hard line on barter deals is a response to moves by some Korean businesses to conclude contracts exchanging goods or services for marine products.

There have been no such deals to date, but Daewoo business group is negotiating a project to build 8,000 apartments in the Soviet Union in return for marine products worth an estimated 500 million U.S. dollars.

The government earlier this year approved a deal by Korea Wonyang Fisheries Co. to receive pollack worth 33 million dollars in return for repairing Soviet ships.

### **Kim Yong-sam Holds News Conference in Moscow**

SK0806024689 Seoul THE KOREA TIMES in English  
8 Jun 89 p 2

[By Kim Su-chong]

[Text] Moscow—Visiting South Korean opposition leader Kim Yong-sam yesterday expressed optimism about diplomatic normalization between South Korea and the Soviet Union.

"I think Seoul and Moscow can bring about diplomatic normalization gradually, first starting off at non-governmental levels such as economic cooperation and then moving on to various exchanges including political ones," Kim told a news conference at the World Economics and International Relations Institute.

Kim, now on a nine-day tour of the Communist country at the invitation of the institute, had a series of talks with ranking Soviet officials including Yevgeniy Primakov, director of the institute, and Brutentsz, a leading Asia hand at the Communist Party since his arrival here on June 2.

At the press meet, Kim said both countries, despite their good friendship 100 years ago, have been hostile to each other in the Cold War situation for the past decades.

"I expect we can usher out an unhappy past and open up a new bright future, depending on our own choice and efforts," the South Korean politician stressed.

He also said he was convinced that economic and political exchanges between Seoul and Moscow would gain momentum if both sides strive for them, following the principle of mutual interests.

He said he would continue to make efforts to work out institutional measures to guarantee exchanges in all fields between the two countries and free travel by Korean residents in the Soviet Union to South Korea.

Meanwhile, Kim visited Moscow University in the afternoon where he gave an address, stressing the importance of relaxation of global tension through widening understanding among the world people.

In a speech delivered at the university, Kim, the first Seoul politician to do so, said the efforts by the peoples of the two Koreas, China, the Soviet Union, the United States and Japan to understand each other could bring peace and progress to Northeast Asia as well as the whole world.

**Joint Committee To Boost Trade With Hungary**  
*SK3105070789 Seoul YONHAP in English 0654 GMT 31 May 89*

[Text] Seoul, May 31 (YONHAP)—The Korean and Hungarian Chambers of Commerce and Industry will set up an economic cooperation committee in the second half of this year to boost bilateral trade, an official of the Korean chamber said Wednesday.

Korean exports to Hungary were worth 8.38 million U.S. dollars and imports 3.56 million dollars in the first three months of this year.

Korea's main exports include textiles and electronic products while imports are mostly chemical products.

Exports to Hungary reached 26.9 million dollars and imports 11.4 million dollars last year.

In a further sign of growing trade ties, Korean firms are to participate in the Budapest autumn trade fair in September and Hungarian entrepreneurs have scheduled a merchandise exhibition here in October. Seoul and Budapest established diplomatic ties in February.

**Trade Figures Reported**

*SK0206020889 Seoul THE KOREA TIMES in English 2 Jun 89 p 8*

[Text] The nation's trade with Hungary has sharply increased following the establishment of full diplomatic relations between Seoul and Budapest last year.

According to the statistics compiled by the Trade-Industry Ministry, trade with the European Communist country last year rose some 50 percent over 1987.

Specifically, exports to Hungary amounted to \$20.692 million on a customs clearance basis and imports from it \$11.438 million, thereby registering a \$9.254 million trade surplus.

Exports to Hungary during the first four months of this year recorded \$8.381 million in contrast with \$3.555 million in imports.

Hungary is the first Communist country with which Korea maintains full diplomatic relations.

The nation's trade and economic exchanges with Hungary will be further escalated as the Korea Chamber of Commerce and Industry has recently agreed with its Hungarian counterpart to set up a private-level economic cooperation committee during the second half of this year.

Meanwhile, domestic business concerns will take part in an international trade fair to be held in Budapest in September.

Following the trade fair, Hungary will host an exhibition of its products in Seoul in October.

**Construction Firms View Middle East Prospects**  
*SK0706063289 Seoul YONHAP in English 0602 GMT 7 Jun 89*

[Text] Seoul, June 7 (YONHAP)—The Middle East is unattractive for South Korean construction firms, despite Ayatollah Khomeyni's death, because it is unprofitable, a business source said Wednesday.

The won's continuing appreciation against the U.S. dollar and rising wages of Korean workers encourage construction companies to concentrate on domestic projects rather than work in Iran and other Middle Eastern nations, the source said.

Optimistic businessmen expect Iran to start postwar reconstruction now that Khomeyni has died and are preparing to resume projects begun by the Shah and abandoned following the 1979 revolution.

Reception of construction orders from the Middle East hit a record 12.7 billion dollars in 1981, but has steadily shrunk to about 1 billion dollars now.

Payment with crude oil and deferred payment are also major factors in the reluctance of Korean firms to engage in projects in that part of the world.

Large-scale projects in the home market, such as construction of satellite cities around Seoul, new subways and developments on the west coast, provide little incentive for engaging in overseas projects, the source said.

Last year, domestic construction orders were 185 percent higher than in 1980 while overseas orders were 79 percent lower.

**Firms Seek To Buy U.S. Construction Companies**  
*SK0906064389 Seoul YONHAP in English 0548 GMT 9 Jun 89*

[Text] Seoul, June 9 (YONHAP)—The purchase of American companies is the easiest way for South Korean construction firms to make inroads into communist countries that have no diplomatic relations with Seoul, according to a report by U.S. experts.



It said Korean construction firms should use the United States as a bridgehead to the Soviet Union and other communist bloc markets and buying U.S. construction firms could be part of such efforts.

The report, titled "A Strategic Study of the U.S. construction Market for Korean Construction Industry," was drawn up by the Construction Management and Technology International Inc. of the Massachusetts Institute of Technology at the request of the Overseas Construction Association of Korea.

The acquisition of U.S. firms would provide protection and advantages for Korean companies extending their reach into the communist bloc, it said.

Korean companies were also recommended to accumulate high technology in the United States before tackling the communist bloc and it was pointed out that buying American firms would alleviate Korean-U.S. trade strains.

During 1978-1988, 114 U.S. construction firms were sold to foreign owners—33 to the United Kingdom, 17 to France, eight to West Germany, 10 to Scandinavian countries, 11 to other European nations, 11 to Canada, eight to Australia and New Zealand, 10 to the Middle East, and six to Japan, Korea and India.

Korean manufacturing companies could hire Korean construction firms to build their factories in the United States to offset the burden of the Korean won's appreciation against the U.S. dollar, just as Americans did in Europe in the 1960's and the Japanese in the United States in the 1980's, the report said.

It said Japan may decontrol the hiring of Korean workers if its current shortage of construction workers worsens.

American construction firms may find it better to use Korean workers, especially in the design and civil engineering sectors, on contracts earned from the Japanese market because employment of U.S. or Japanese workers would increase costs, the report said.

#### **Women Stage Sit-In at U.S. Firing Range**

SK0906060389 Seoul CHUNGANG ILBO in Korean  
8 Jun 89 p 13

[(By reporter Kim Yong-sok from Hwasong)]

[Text] At around 1020 on the morning of 7 June, some 100 women in areas around Maehyang-ri and Sokchon-ri, Ujong-myon, Hwasong County, Kyonggi Province, gathered in front of the front gate of the "Kunni Firing Range" of the U.S. Air Force, located in their neighborhood, and staged a sit-in calling for the release of Chon Man-kyu, 34, chairman of the Committee Seeking Compensation for the Damages Done by Noise, noise that comes from the firing range, and a fellow villager, who have been taken into custody in connection with an

incident on 29 May during which the two and others had staged a sit-in after occupying the range. The women went home voluntarily at around 1500 in the afternoon.

These women attempted to force their way into the firing range at about 1230 in the afternoon and entered into a fray with policemen who tried to keep them away. In the process, Chon's wife, Choe Son-cha, 31, was beaten up by the policemen. She was taken to a hospital with her 2-year-old son.

#### **Daily Criticizes Effectiveness of Flag-Burning**

SK2805084589 Seoul HANGYORE SINMUN in Korean  
27 May 89 p 3

["Flail" column article by reporter Yi Pyong-hyo: "Burning of the Stars and Stripes and Logical Criticism"]

[Text] After the National Council of University Student Representatives [Chondaehyop] declared the week beginning 22 May and ending on 27 May as the "Week of Anti-U.S. Struggle," incidents of defiling and burning the stars and stripes have risen.

Following an official statement by a spokesman for the Ministry of Foreign Affairs on 23 May who urged people "to stop 'acts of profaning' the national flags of foreign countries," the government spokesman issued a strong statement on 26 May threatening to bring legal action against those who defile or profane foreign national flags. Casting aside its previous spectator's attitude merely deploring such acts, the government seems to have decided that it is time to organizationally act against them.

Before examining the historical causes and logical basis of "anti-U.S." acts, practical reasons cited by those engaged in such anti-U.S. acts, and expected consequences to which anti-U.S. acts could lead, we should give thought to how we basically perceive the relations between Korea and the United States. Some in our society insist on "taking advantage of the United States," without making an issue of either "anti-U.S." or "pro-U.S." sentiment. This theory makes sense only when we become our own masters and stand on an equal footing with the United States.

Seeing the government make an issue of acts of profaning and burning the stars and stripes reminds us of the fact that it was not terribly long ago when the government regarded acts of criticizing the United States as "anti-state" acts more serious than any other type of anti-state activity and even as "a challenge to the national system itself."

No one will nurse "anti-U.S. sentiment for the sake of anti-U.S. sentiment" or "anti-U.S. sentiment to usher in some other outside forces." This is well proven by the

fact that to date we have not seen any goal-oriented terrorist acts inflicted on the Americans, although occasionally there have been accidental conflicts between our people and Americans.

Early last April, a group of U.S. workers barged into the USSPOSO [U.S. Steel-Pohang Steel Corporation] plant in Pittsburgh, California, United States, a joint venture between Pohang Steel Corporation and U.S. Steel, and burned a Korean national flag in a protest against the company's exclusion of their trade union. Since a national flag is a national symbol, physical attacks on the symbol can serve, in a sense, as a weak people's means of resistance. Some people maintain that it is quite possible for some people to burn the stars and stripes in order to enlighten people when freedom of the press is curbed.

However, criticism seems to be more persuasive when it is built on a more cool-headed self-examination of historical facts and logical theories. In the long term, there are certainly more effective and more appropriate ways of expressing our perceptions and emotions than attacking the stars and stripes, even if the other ways may seem to be far less active.

#### **Kim Chong-pil To Attend Seminar in U.S.**

SK0706032089 Seoul THE KOREA TIMES in English  
7 Jun 89 p 2

[Text] Opposition leader Kim Chong-pil will visit the United States to attend a world seminar on June 22-24 in Colorado, an aide to Kim said yesterday.

The World Forum to be held in Beavercreek will be sponsored by the American Enterprise Institute and the Vail Valley Foundation.

Kim was invited by Gerald Ford, former U.S. president and the current chairman of the forum, in his capacity as former Korean prime minister.

The forum will be also taken part in by world dignitaries, including erstwhile French president Giscard d'Estaing and former West German premier Helmut Schmidt.

#### **Prohibition of Festival Participation Explained**

SK0906130189 Seoul CHUNGANG ILBO in Korean  
7 Jun 89 p 2

[Editorial: "Reasons for Banning Students From Participating in the Pyongyang Festival"]

[Text] The government has decided against giving permission to students to participate in the Pyongyang festival. About 3 months of running around in circles has ended in "an inevitable decision," that students will not be allowed to go to Pyongyang, as the government has insisted that students participate in the Pyongyang festival only through the Committee for the Promotion of Exchange Between Students in the North and South, and

the National Council of University Student Representatives [Chondaehyop] has insisted on participating in the festival on its own. An agreement could not be reached.

Even though we fully understand the government's inevitable decision not to allow students to participate in the festival, we still find it regrettable that the exchange of students capable of contributing to reconciliation between the North and South has been shelved.

From the beginning, the participation in the Pyongyang festival was problematic. It was a contradiction from a logical point of view for our country, which not only doesn't recognize any communist party but any parties that espouse socialist ideology either, to commit itself to considering the issue of whether to allow students to participate in the Pyongyang festival, whose theme is to strengthen antinuclear and anti-imperialist solidarity and during which youths from communist and socialist countries promote friendship and denounce capitalist countries.

However, despite such a contradiction, we welcomed the idea of allowing students to participate in the Pyongyang festival under the guidance of the government, in that it was a public desire and consensus concerning relations between the North and South that doing so could open even a small hole in the wall of division that has continued for nearly half a century between the North and South and contribute to steadily removing the mutual sense of disharmony and parlaying it into step-by-step exchanges and, going one step farther, arranging a venue of reconciliation between the North and South.

Over the past three months, however, the Chondaehyop has embellished North Korea in every campus under anti-U.S. slogans and staged dramas in praise of the North Korean system and ideology. Posters showing the North Korean flag were on display on the campus as though they were nothing and names of Pyongyang streets appeared.

Not only have they assumed the government legally chosen by our people as a target to overthrow, but they also encourage anti-U.S. sentiment by making people walk over the Stars and Stripes painted on the pavement in front of the school gates.

It is quite natural for the government to ban students who have adopted such an extreme tendency from participating in the Pyongyang festival. It is also public consensus that the government cannot allow some students who embellish the North's system and ideology and who have become captives of an illusion to go to the festival either.

All told, it was none other than the students themselves who have made the single road of reconciliation, namely the exchange of students, impossible to travel. Who else but the unreasonable and intransigent student activists

will take responsibility for having disappointed those of us who had hoped for a galvanizing event to occur with the meeting between students from the North and South taking place?

We still hope that the students will be provided with yet another opportunity for seeing the realities in the North, a closed society, by accepting the idea of participating in the Pyongyang festival through the committee formed to promote student exchange as an act of responding to public desire, but it seems to be an impossible hope in view of their past behavior. The chief reason for participating in the Pyongyang festival stems from a desire to correctly understand the realities in the North. This we say not because we want the students to blindly follow the North concerning the Pyongyang festival, but because we want them to correctly understand the realities in the North and look at the realities in our country without distorting them.

It is hard to view the government's decision not to allow students to participate in the Pyongyang festival as an expression of going back to the old, stiff attitude. One must not fail to see the militant and intransigent attitude and pro-North Korean illusions of some of the students that have led the government to reach a negative decision.

We once again stress that the issue of whether to allow the students to participate in the Pyongyang festival or not will be handled on the basis of a principle that its primary goal is to understand the realities in the North, not to come under the influence of the other party in emotional terms.

#### Daily Comments on Festival Issue

SK0906005289 Seoul THE KOREA TIMES in English  
9 Jun 89 p 6

[Editorial: "Student Flurry for North Korean Event"]

[Text] The students in the South had better rise up and denounce North Korean leader Kim Il-song for his tyrannical rule of the northern half of the country for four decades. His starting an internecine war in 1950 should be condemned above all. North Korea terrorism against the South, including the Rangoon bombing attack and bombing blast of a KAL airline over the Thai-Burmese border, should be fairly brought to world justice. His persecution of the brethren in the North and revolutionary schemes for the communication of the South must be duly held against him.

But far from taking issue with Kim Il-song's wrongdoings, a number of activist students under the umbrella of Chondaebyop, a nationwide activist student organization, are now bent on riding on the wagon of the North Korean chief in his anti-Seoul crusade, taking advantage of the forthcoming "World Festival of Youth and

Students" slated for the North Korean capital of Pyongyang early next month. With mixed feelings of indignation and lamentation, we will closely watch future developments.

On the question of student participation in the Pyongyang event, the government authorities and the student organization are heading for a confrontation as the date for the event nears. The radical student group has ignored the government's offer to look after student attendance at the event and instead pushed with its unilateral plan in a tacit agreement with its North Korean counterpart. The government's initial idea was to provide the students an opportunity to learn and thus make a correct judgment of the real situation there.

The government countered the students' one-sided moves with a final decision not to allow their participation and closed the channel for south-north student exchanges. It is a requirement of the law as well as a consensus of the majority of people that individuals here may visit the north with the approval of the government authorities concerned. The basic problem is the nature of the coming Pyongyang festival, a political propaganda gathering of Communist and socialist countries for the cause of anti-nuclear and anti-imperialistic solidarity.

Deplorably, students on some campuses have displayed North Korean posters advertising the Pyongyang festival and reprinted the posters in student magazines. The radical students went so far as to stage a North Korean drama and established mock streets of the North Korean capital for familiarization for the festival participants. Now they are preparing for what they term a preliminary meeting with their North Korean counterparts in Seoul tomorrow. If the proposed meeting is foiled, the students threatened to trigger furious anti-government protests and lead a national campaign for their attendance.

These student activities will undoubtedly aid Pyongyang's propaganda and their participation, if realized, will be exploited by the North Korean Communists for their anti-Seoul maneuvers. In addition to this, the Pyongyang regime may utilize the occasion to intensify its anti-American drive and calls for the withdrawal of the U.S. troops and nuclear arms from the South. This prospect is more than evident, considering that Chondaebyop has led an anti-American campaign here with the recent designation of an anti-American week and burning or trampling of the Stars and Stripes, an intolerable deed in a civilized country.

How long will these students continue to dance to the music of the North Korean Communists? They should be awakened from their delusions and return to reason. Chondaebyop students should not be absurd enough to follow the anachronistic trend of trying to revive obsolete popular revolutions. It is paradoxical that the students in China are shedding blood for the cause of free democracy, while the Korean students eulogize and try to copy perhaps the worst Communist state in the world.



**PPD Head Asks Students To Remove Posters**  
*SK0906015089 Seoul THE KOREA TIMES in English*  
9 Jun 89 p 2

[Text] Opposition leader Kim Tae-chung yesterday registered worry about the "Pyongyang fever" on campuses associated with the world youth festival slated for the North Korean capital city in July.

The largest opposition party's head called upon the students to voluntarily remove the festival publicity posters printed in North Korea from campus, saying, "They should do so in order to win people's trust if they really hope to take part in the festival."

Kim made the remarks presiding over a meeting of PPD [Party for Peace and Democracy] executive members at the National Assembly building.

During the debate to shape the PPD's position on whether to support Seoul students participation in the politically oriented event in Pyongyang, Kim argued that the government should permit students to attend the Pyongyang fest.

He was quoted as saying, "We know of the nature and the dangers of the Pyongyang festival but our students are not so thoughtless as to dance to the propaganda of North Korea."

Floor leader Kim Won-ki and Reps. Pak Sil and Choe Hun argued that the PPD should take a "cautious" attitude in view of public opinion.

Yet Reps. Pak Chong-tae and Chong Tae-chol asserted that the PPD has to be active in dealing with the issue which is bound to develop as one of the most sensitive political questions.

The participants in the meeting agreed to reserve a decision of the party on the issue.

Instead, they decided to call for a joint session of the House committees of defense, education-information and diplomacy-unification to hear the government position from the director of the Agency for National Security Planning, unification minister and education minister.

Meanwhile, PPD, spokesman Yi Sang-su called upon some activist students and dissidents to end their fasting, pushing their demand that the death of student activist Yi Chol-kyu be fully investigated so that whole truth can be brought to light. They have been fasting at Myong-dong Cathedral since May 25.

Yi also demanded that Home Minister Yi Han-tong resign from his office for the death of two suspects from police manhandling during interrogation.

He added that Prime Minister Kang Yong-hun has to make a public apology for the deaths and the government should compensate adequately the bereaved families.

He also said that the PPD decided to put off its national convention until August or early September from the original date of mid-July.

**Pope John Paul II To Visit Seoul in October**  
*SK0806105689 Seoul YONHAP in English 0919 GMT*  
8 Jun 89

[Text] Seoul, June 8 (YONHAP)—President No Tae-u sincerely welcomes Pope John Paul II's visit to South Korea to attend the 44th International Eucharistic Congress Oct. 7-9 in Seoul, a spokesman for the Presidential Office said Thursday.

"The pontiff will be warmheartedly greeted as an apostle of peace and concord during his visit," Yi Su-chong said.

During the pope's visit, his second to Korea, No will meet with him to exchange views on subjects of common interest, Yi said.

**Maritime Official Leaves for EC Talks**  
*SK0906030889 Seoul THE KOREA HERALD in English*  
9 Jun 89 p 3

[Text] Chin Nyom, administrator of the Korea Maritime and Port Administration (KMPA), will leave for Belgium today to meet with shipping-related officials of the European Community (EC).

In Brussels, Chin will talk with EC officials about the community's levying of special customs duties on Korea's Hyundai Merchant Marine Co. and friction between Seoul and the EC in the field of shipping, a KMPA spokesman said.

In London, he will seek to conclude a maritime accord with Britain, the spokesman said.

**Tax Office To Examine Operations of Foreign Firms**  
*SK2705012489 Seoul THE KOREA TIMES in English*  
27 May 89 p 8

[Text] The tax offices plan to examine the activities of enterprises invested in by foreigners and branches and liaison offices of foreign firms in Korea for one month beginning June 1.

A senior official at the Office of Nation Tax Administration said yesterday that tax officials will inquire into the number of employees and their business activities.

He said that the investigation is designed to find irregular and illegal business activities pursued without paying due taxes.

At present, there are about 2,500 foreign-invested companies, branches and liaison offices of foreign firms in Korea.

Stiffer taxes will be levied on those involved in illegal businesses, and legal actions will be taken if deemed necessary, the official disclosed.

**No Not To Hold Interim Appraisal During Term**  
SK0806225089 Seoul YONHAP in English 1221 GMT  
8 Jun 89

[Text] Seoul, June 8 (YONHAP)—President No Tae-u made it clear Thursday that he will not hold an interim appraisal of his presidency during his term which expires in February in 1993, the KOREA TIMES, an English-language daily published here, reported in its Friday edition.

"It is not desirable for the nation to hold a midterm evaluation because it would certainly split national opinion, thus bringing about social chaos and grave economic ill effects," No was quoted as saying in an exclusive interview with the daily's sister paper, HANGUK ILBO.

No said, "my pledge for a midterm test has a real meaning in that I would perform my duty as president faithfully in respect of the people's will."

No, then candidate of the ruling Democratic Justice Party, pledged during his presidential election campaign late in 1987 that he would hold an interim appraisal of his performance with the presidency at stake. He inaugurated his government on Feb. 25, 1988.

He flatly said the midterm test could never become a political issue any more.

The No.1 opposition Party for Peace and Democracy [PPD], however, has maintained that the midterm test be conducted early next year unless No wipes out within this year legacies of the former government under Chon Tu-hwan including punishment of persons responsible for the bloody suppression of the Kwangju civil uprising in 1980.

PPD president, Kim Tae-chung, further threatened last weekend at an outdoor rally in Kwangju, a stronghold for his party, to topple No's government if No fails to solve the problem.

Asked about his view on introducing the parliamentary government system, the president clarified that he is not interested in the new form of the government at present.

President No also reiterated that subversive forces will face stern legal actions in accordance with the people's call to eradicate them.

Referring on the recent sluggish economy, he stressed, "if enterprises collapse and unemployment increases, democracy will not be able to progress."

"It would be possible to achieve an eight percent growth rate this year as scheduled, if we wisely handle unnecessary labor disputes and confusion," the chief executive said.

**Decision Leads to Protests**

SK0906093489 Seoul YONHAP in English 0829 GMT  
9 Jun 89

[Text] Seoul, June 9 (YONHAP)—President No Tae-u's disclosure that he will not submit his presidency to a test before the end of his term has raised a storm of protest, with major opposition parties calling it a breach of his election pledge Friday.

But No's Democratic Justice Party hailed his decision, proclaiming that "a national consensus has already been reached on the midterm evaluation."

"It is not desirable for the nation to hold a midterm evaluation because it would certainly split national opinion, thus bringing about social chaos and grave economic ill effects," No said Thursday in an exclusive interview with HANGUK ILBO, an influential vernacular daily.

The largest opposition party, Kim Tae-chung's Party for Peace and Democracy [PPD], said No's scrapping of the appraisal "runs counter to his pledge to people. The president has no right to void his promise."

"The very element to confuse national opinion and cause social unrest is No's lukewarm attitude toward liquidating the previous government's legacies," PPD spokesman Yi Sang-su said.

He said the PPD will press No to undergo the test if his democratic reforms and liquidation of Fifth Republic vestiges have not met people's expectations by the end of this year.

The Reunification Democratic Party [RDP], led by Kim Yong-sam, denounced it as a breach of "No's election pledge and lack of political morality."

The RDP also urged No to conduct the evaluation after he finishes liquidating the "bad legacies" of former President Chon Tu-hwan's administration.

But the moderate New Democratic Republican Party, led by Kim Chong-pil, expressed sympathy and said No's five-year term should be upheld.

It was the first time that No openly declared he would not allow a test of his presidency.

He said May 20 he was postponing the appraisal indefinitely, but did not call it off.

During the presidential election campaign in 1987, No pledged that if elected he would undergo an interim evaluation of his presidency after the Seoul Olympics and if he lost he would take full responsibility, including early retirement.

His pledge, just days before balloting, is credited with helping him to overcome a deficit in opinion polls and winning election over an opposition vote split three ways. But it has been a burden on his presidency.

#### **Ruling Party Reshuffle Said Unlikely**

SK0906071289 Seoul YONHAP in English 0633 GMT  
9 Jun 89

[Text] Seoul, June 9 (YONHAP)—President No Tae-u is not likely to carry out a partial reshuffle of his cabinet and the leadership of the ruling Democratic Justice Party soon, a highly-placed source said Friday.

"The president had considered replacing some cabinet members after meeting with opposition leaders, but the need has faded since the talks were postponed," said the source, who refused to be named.

"The health and social affairs minister and the labor minister, who were under pressure to resign, are now too busy handling outstanding issues to be replaced," the source said.

"Ruling party office-holders will retain their positions for the time being, as far as I know, although some called for a change in the leadership lineup."

The opposition has demanded a shake-up of cabinet members who were responsible for creating crises, including labor disputes, and the ruling camp has shown a willingness to accept the demands if they are presented during talks between No and the heads of the three opposition parties.

The talks, however, have been delayed until July as both the ruling and opposition camps regard this month as too early.

#### **Political Debate Focuses on Cabinet System**

SK0306075289 Seoul YONHAP in English 0629 GMT  
3 Jun 89

[Text] Seoul, June 3 (YONHAP)—Constitutional revision to create parliamentary cabinet rule is emerging as the newest topic of political debate.

Opposition parties immediately denounced the ruling party chairman's call Friday for negotiations on cabinet rule next year as a scheme to divert attention from government foot dragging in the liquidation of former president Chon Tu-hwan's legacies.

There was no opposition to the reform itself if negotiations take place after the liquidation is completed.

Pak Chun-kyu, No. 2 man in the Democratic Justice Party [DJP] of President No Tae-u, told a news conference the DJP will seek to begin negotiations on creating a cabinet system of government next year.

The conservative minority New Democratic Republican Party sides with a cabinet system of government and the Party for Peace and Democracy of Kim Tae-chung, the most stubborn advocate of the presidential government system, also showed signs of a drastic policy shift recently.

Shortly after No announced he had called off his promised mid-term appraisal, Kim told reporters constitutional reform will be possible if cabinet rule is supported by public opinion.

Media reports say Kim and No struck a far-reaching political deal when they met shortly before No announced the postponement of the mid-term appraisal.

"There is no doubt that both the presidential and the cabinet systems of government are democratic systems, and the choice should be made by the people," he said.

Most lawmakers in his party advocate cabinet rule, also.

The Reunification Democratic Party [RDP] of Kim Yong-sam has stuck to a negative position toward the parliamentary cabinet system.

It has emphasized the need for liquidation of wrongdoings, but has made no mention of the possibility of beginning negotiations for reform after the liquidation is completed.

Although its official position remains unclear, a considerable number of RDP lawmakers reportedly accept the need for reform.

Many analysts predict that all three opposition parties will respond to the ruling party's call, pointing out that they are all aware of the difficulty of securing a parliamentary majority with direct presidential elections.

Pak has periodically ignited political controversies by calling for reform of the government into parliamentary cabinet rule since he took the top ruling party post last year, but it was the first time he has gone into such detail.

No's office, as it has in the past, dismissed Pak's call as "a private opinion that has never been discussed in the ruling party nor the administration."

"It is undesirable for political development that politicians try to change the political system whenever their political interests call for it," said a spokesman for the presidential office who requested anonymity following official practice.



Pak's campaign for a cabinet system has earned growing support within the DJP since the opposition won a combined majority in the single-house National Assembly for the first time in the 1988 general elections.

**Kim Tae-chung To Push for Opposition Summit**  
*SK0806033089 Seoul THE KOREA TIMES in English*  
8 Jun 89p 2

[Text] Kim Tae-chung, president of the largest opposition Party for Peace and Democracy [PPD], revealed yesterday that he will push for a meeting with the two other opposition party leaders to discuss ways of making a breakthrough to the stalemated political situation.

Meeting the press at party headquarters, he said that he will seek the gathering after Kim Yong-sam, president of the Reunification Democratic Party [RDP], returns from his visit to the Soviet Union.

The opposition leaders' talks are likely to be held in early July as Kim Yong-sam is due to return home late this month.

Kim Chong-pil, president of the New Democratic Republican Party [NDRP], will depart for the United States to attend a world seminar on June 17 and return home late this month, too.

The PPD head said, "Notwithstanding the agreement among the three party leaders to take punitive action against six key persons of the Fifth Republic in the meeting last January, the RDP and the NDRP wavered on the issue."

As to the timing of his meeting with President No Tae-u, Kim Tae-chung said, "I don't like to hurry."

A No-Kim meeting was to be held in the middle of this month but is expected to be called off after Kim's recent visit to Kwangju where he turned to a tougher stance on the pending political questions.

PPD's Kim called for the cleanup of the past evils inherited from the previous regime by the end of this year.

He added, "If the No administration does not complete the liquidation of the bad legacies, we will demand a confidence vote in No in February or March next year."

As for the opinion that the interim test is unconstitutional, Kim noted, "If the No administration does intend to hold the appraisal as it has promised, there will be some constitutional way for him to keep his words."

He added, "I have never argued that the interim evaluation is against the Constitution."

As to his remarks in Kwangju that his party will mount a campaign to unseat No if the cleanup of the past evils falls short of expectation, Kim Tae-chung said, "I was not intent on pulling down No from office but placed the emphasis on the call on the government to show determination to seek democracy."

Touching on the ruling camp's move to hold a new parliamentary election in the Yongdungpo constituency, Seoul, in August, the PPD president called it an "expedient scheme," calling for it to be held in early July.

The RDP also has decided to demand the election early next month.

**PPD Decides To Postpone National Convention**  
*SK0906034289 Seoul THE KOREA HERALD in English*  
9 Jun 89 p 2

[Text] The opposition Party for Peace and Democracy [PPD] yesterday decided to put off its national convention originally scheduled for July 14-15 to sometime in late August or early September.

The postponement of the party convention had become inevitable for several reasons, principally because the proposed meeting between President No Tae-u and Kim Tae-chung has been put off indefinitely, party spokesman Yi Sang-su said.

**Party Official To Ask Choe Kyu-ha To Testify**  
*SK0906025689 Seoul THE KOREA HERALD in English*  
9 Jun 89 p 2

[Text] Kim Yun-hwan, floor leader of the ruling party, yesterday said that he would meet ex-President Choe Kyu-ha today or tomorrow to ask for his testimony before the National Assembly along with ex-President Chon Tu-hwan.

Kim, who reportedly visited a remote Buddhist temple in Kangwon-to May 30 where ex-President Chon and his wife have been staying in self-imposed exile since last September to discuss the same issue, told reporters that Choe's testimony is vital to put an end to the protracted controversy over liquidation of the Fifth Republic legacies.

"Ex-President Chon has already agreed to testify before the National Assembly to honor the interparty agreement on that particular issue reached at the senior politicians meeting of the four rival parties late last month," said Kim adding: "I will convey the consensus of the political circles on that issue to ex-President Choe politely as I did to ex-President Chon."

Disclosing that Choe still strongly opposes giving open testimony before the parliamentary panel but is willing to submit written testimony, Kim said that he would explain in detail the necessity for Choe's testimony in liquidating the Fifth Republic irregularities.

Touching on reports about a meeting between President No Tae-u and ex-President Choe at Chongwadae May 20, Kim said: "As far as I know, President No did not bring forth any topics concerning parliament testimony at that meeting."

As to the timing of Chon's testimony, Kim said that Chon may appear before the parliamentary panel soon if the opposition parties agree to bring charges against what they described as "six key figures of the Fifth Republic" through a motion adopted at the parliamentary ad hoc panel probing the Kwangju incident and drop the demand for their resignation from all public posts.

**Prosecutors Indict Former Chon Aide for Perjury**  
SK0806110189 Seoul YONHAP in English 0923 GMT  
8 Jun 89

[Text] Seoul, June 8 (YONHAP)—Prosecutors indicted a former aide to ex-President Chon Tu-hwan without physical detention on perjury charges Thursday.

A second former Chon aide escaped indictment because they had "failed to find evidence of his guilt," a prosecutor said.

The Seoul District Prosecutor's Office charged Yi Sang-chae, a former deputy secretary-general of the ruling Democratic Justice Party, with lying to the National Assembly in sworn testimony on his role in the mass dismissal of journalists and forced mergers and closures of news organizations by the military in 1980.

But investigators found no evidence that Ho Mun-to, a former senior presidential secretary and unification minister under Chon, was involved in the dismissals or that he lied to the Assembly.

The Assembly lodged perjury charges against Yi and Ho, alleging that they lied under oath during hearings on the Chon government. Under the law on parliamentary auditing and inspection, the prosecution must investigate anyone charged by the Assembly and notify the Assembly of the results of its investigation.

The decision not to indict Ho is feared to spark a storm of protest as he is listed by opposition parties as one of six core figures responsible for misrule of the Chon administration.

The six include ruling party lawmaker Chong Ho-yong.

Chong, a former army chief of staff and defense and home minister, is cited for his role as commander of the special warfare force, which brutally suppressed demonstrators during the Kwangju uprising.

The problem of what to do about Chong has dogged president No Tae-u, Chong's close friend and Korea Military Academy classmate, since February, when the opposition began demanding he resign his parliamentary seat.

**Court Sentences Chon's Cousin for Bribery**  
SK0906012489 Seoul THE KOREA TIMES in English  
9 Jun 89 p 3

[Text] An appellate division of the Seoul Criminal Court sentenced Chon U-hwan, 56, a cousin of former president Chon Tu-hwan, to 10 months in prison and a forfeiture of \$5.5 million won yesterday.

Judge Kim Tae-hwan upheld the lower court's ruling that Chon was guilty of receiving in bribes a total of 180 million won for his influence-peddling in various construction contracts.

Appealing to the higher court, Chon insisted that he was induced to make a false confession by prosecutors.

But the judge, rejecting his claim, said Chon's appeal lacked any convincing grounds and he deserved punishment.

**Goldstar Labor 'Tension' Reportedly Mounts**  
SK3105054889 Seoul THE KOREA HERALD in English  
31 May 89 p 3

[Text] CHANGWON, Kyongsangnam-to—The labor dispute at the Goldstar Co. No. 2 factory threatens to spill over to next month after marathon negotiations between workers and management collapsed Monday night.

The negotiation began at 1:30 p.m. and lasted for seven hours with the two sides still not closing the gap on issues such as recalling arrested union leaders to work and salary payment even while workers protest.

Goldstar Co., one of the three largest electronic goods producers in the country, has two factories in the Changwon Industrial Complex. Factory No. 2, which employs some 4,000 people to make cathode-ray tubes, washing machines, and air-conditioners, was struck by strife since late January by unionized workers demanding pay hikes.

The month-long labor battle caused sporadic clashes with riot police which resulted in arrests of union and protest leaders.

Tension mounted as some 80 union members seized a factory building Sunday using T.V. tubes to set up a barricade, according to company officials, and these protesters are continuing the demonstration after the Monday talks failed.

Management and workers were able to reach agreement during previous negotiations in which the company promised to withdraw legal suits against the union and to try to have arrested union leaders released from police custody, an official said.

Further talks were deadlocked when the unionists demanded that the company pay an equivalent of one-month salary for the past months when workers staged a partial strike, according to the official.

More than 1,000 coworkers at Changwon Industrial Complex, meanwhile, attempted to enter the Goldstar factory grounds Sunday afternoon to support striking unionists but were stopped short by police.

**Samsung, Daewoo Shipyards Situation Reviewed**  
SK0206071289 Seoul YONHAP in English 0626 GMT  
2 Jun 89

[Text] Koje, Korea, June 2 (YONHAP)—Two major South Korean shipyards are once again engulfed by labor disputes, in contrast with the smooth settlement of wage negotiations elsewhere in the country.

Thousands of workers at Daewoo and Samsung shipyards, within 10 kilometers of each other on this southeastern island, gathered Friday morning to chant slogans demanding pay raises.

Daewoo has been shut down for four consecutive days by sabotage and Samsung entered the second day of a strike Friday without a breakthrough in sight.

The Daewoo dispute took a serious turn when a worker burnt himself to death and another tried in vain in protest early this week.

Daewoo workers are demanding a 53 percent wage hike, but management insists a pay freeze is the only way to save the deficit-ridden shipyard from collapse. Last month the government came up with plans to bail the shipbuilder out of its 1.08 trillion won debt.

The labor union gave up its struggle in September last year after Daewoo Group Chairman Kim U-chung threatened to close the shipyard permanently.

The union, however, resumed its agitation in April after workers at the nearby Samsung Shipyard won pay raises.

The suicide has touched a raw nerve among the workers, who are now so angry that they refuse to listen to union leaders' calls for them to return to work during the cooling-off period set out by labor laws.

The government warned workers Thursday [1 June] that it might withdraw support programs designed to avert bankruptcy of the ailing shipyard unless they respond with sacrifices of their own.

The widening difference between white- and blue-collar pay scales ignited the dispute at the Samsung Shipyard, which has been harassed with conflicts since 1987.

Dissatisfied with uniform pay raises in April, workers are demanding an additional hike.

A shrinking minority advocates a return to work in order to help the shipyard get back on its feet before they press for higher pay.

shipbuilding industry escapes the long tunnel of recession since orders have been piling up in recent months.

**'Countdown' Started for Shutdown**

SK0906023289 Seoul THE KOREA HERALD in English  
9 Jun 89 p 6

[Text] The countdown appears to have started for Daewoo Shipbuilding and Heavy Machinery to shut down its shop.

Beleaguered by snowballing debts and threats of a strike, the company says it plans to liquidate itself.

The government, which had previously decided to bail out the company from its financial woes, now looks determined not to help the company in the face of workers' demand for a 53 percent pay increase.

The only way to avert the disaster is for workers to accept the company's wage increase offer for next year, an official from the Ministry of Trade and Industry said yesterday.

"The government decided to bail out the company when its workers promised not to demand pay increases for some time," the official said.

But the company's trade union voted to go on strike when negotiations broke down on wage increases Wednesday.

"The government will not provide a financial support to the company if the workers strike," the official said.

The planned strike will start after a mandatory cooling period of 10 days, trade union leaders said.

"Doors will be open for dialogue with the management until then," one of the leaders said.

But Daewoo's management appeared to have given up persuading labor to accept its offer when Kim U-chung, company chairman, left for Moscow Monday to attend a conference.

Before his departure, Kim met with Deputy Prime Minister Cho Sun and Minister of Trade and Industry Han Sung-su.

Kim reportedly told Cho and Han that he cannot help but fold up the company if the workers strike and demand wage increases.

The two top economic policymakers agreed with Kim, a government source said.



Deputy Prime Minister Cho, the source said, voiced dissatisfaction with Kim's offer to raise wages next year up to 90 percent of what Hyundai or Samsung workers earn at their shipyard.

Daewoo's shutdown would force 13,000 workers out of work at its shipyard.

It would also affect hundreds of suppliers to Daewoo and give a blow to the regional economy in Koje Island, whose residents depend very much on the company for their income.

The Daewoo Business Group, whose subsidiaries guaranteed the payment of the shipbuilding company's debts, would be hurt should the company flounder.

The group would have to deal with debts amounting to 1.3 trillion won, backlog orders and the severance pay for the shipbuilding company's workers.

To qualify for the government's bailout measures, the group planned to raise 400 billion won this year to invest it into the shipbuilding company.

The money can be used to pay for part of the company's debts, an official from the Ministry of Trade and Industry said.

With 250 billion won deposited in compensating balances, the group would have to shoulder the remaining 650 billion won in debts, the official said.

The group believes the rescheduling of debt payments can be arranged, he said.

The shipbuilding company's backlog orders now amount to \$1.1 billion.

There will be no big problem if the company repays advance payments worth \$200 million.

The group is considering asking the government to arrange a new 55 billion won loan for severance pay.

#### Parties Urge Negotiations

SK0806111489 Seoul YONHAP in English 0940 GMT  
8 Jun 89

[Text] Seoul, June 8 (YONHAP)—Ruling and opposition parties called on management and labor of the debt-ridden Daewoo shipyard to resume negotiations Thursday, expressing dismay at Daewoo's decision to close the yard following a union vote to strike.

The parties, equally worried over the troubled shipyard on Koje island, demanded that the government immediately arbitrate the dispute between management and labor.

The ruling Democratic Justice Party (DJP) appealed to workers to first try to save the company and next seek compensation for their patience and efforts.

It was reckless of the union to demand a more than 50 percent pay raise from a company burdened with a debt of 1.08 trillion won (about 1,624 million U.S. dollars), said Pak Hui-tae, DJP spokesman.

He said labor should call off a planned walkout.

The Reunification Democratic Party (RDP) called on both labor and management as well as the government to try to save the 13,000-employee yard.

The RDP appealed to labor and management to immediately begin negotiations to normalize the shipyard.

The New Democratic Republican Party (NDRP) said the management decision to close the company was "irresponsible."

The largest opposition party, Kim Tae-chung's Party for Peace and Democracy, refused to comment, saying it was waiting for a "fact-finding" team to return from the troubled shipyard.

Daewoo decided Wednesday to shut down the yard as soon as possible after the union voted earlier in the day to strike.

Workers have been engaging in wildcat job actions since Saturday to back a demand for a 53 percent pay hike.

The union is demanding a flat 111,574 won (about 170 dollars) increase in basic pay, while management is offering 70,350 won.

The government says it will shelve a program of financial support and preferential tax treatment for the shipyard.

Economic Planning Minister Cho Sun and Trade Industry Minister Han Sung-su have agreed to withdraw the support if management and labor fail to end their dispute.

#### Chairman Delays Return

SK0806123189 Seoul YONHAP in English 1211 GMT  
8 Jun 89

[Text] Seoul, June 8 (YONHAP)—Kim U-chung, founder and chairman of Daewoo Business Group, has delayed his return from his current overseas trip in an apparent effort to cool off tension in the labor dispute at Daewoo shipyard.

An official of the Daewoo Group said Thursday that Kim, who is now attending an international seminar in Moscow, is likely to delay his return until around June 15. Kim was originally planning to return home on Saturday.

The official said Kim is to stop over at Paris to have an urgent meeting with officials at Daewoo's branch office there.

But observers said that the real purpose of his unexpected visit to Paris was to have a longer cooling off period in the labor-management tension at his shipyard at Koje island.

The labor dispute at the shipyard has entered into a new phase as company officials threatened to close the plant in an initial reaction to labor union's voting for a strike.

The company officials said they were deciding to close the shipyard in consultation with Kim.

Kim's stopover at Paris is likely to prolong the stalemate in the labor-management dispute at the shipyard.

#### Signs of Flexibility Noted

SK0906065289 Seoul YONHAP in English 0506 GMT  
9 Jun 89

[Text] Seoul, June 9 (YONHAP)—Efforts to save Daewoo's debt-ridden shipyard may yet succeed as both management and labor show signs of flexibility in their dispute over pay.

Daewoo shipbuilding and heavy machinery, faced with snowballing debt and a strike, announced Wednesday plans to shut the shipyard on Koje Island, 300 kilometers south of Seoul.

The announcement closely followed the union's decision to go on strike as talks with management on a 53 percent wage increase were going nowhere.

Daewoo management, aware of strong worries a shutdown would leave more than 13,000 people out of work and hurt the Daewoo group itself, has hesitated to go through with the threatened closure, which would also affect hundreds of small suppliers and deal a severe blow to the local economy.

The union, under public pressure, has yet to announce a date for the strike.

The government decided to bail out the company when workers promised not to demand a pay increase this year, but has been angered by the union's breach of agreement and announced Thursday that it will scrap the aid program.

If the shipyard is closed, the Daewoo Business Group will have to shoulder debts amounting to 1.3 trillion won (about 1.95 billion U.S. dollars), dispose of a backlog orders of 1.88 million dead weight tons of vessels worth 1.1 billion dollars and come up with 55 billion won in severance pay.

Daewoo subsidiaries guaranteed payment of the shipbuilding company's debt.

Under the bail-out measures, the government would have postponed 250 billion won worth of repayments and extended 150 billion won of new credit.

To qualify for the help, the Daewoo Group planned to raise 400 billion won this year by disposing of subsidiaries.

It would still have had to shoulder 650 billion won in debts.

Daewoo has asked for more help from the government.

Political efforts may be sought to settle the dispute since closing the yard would have a serious impact on the shipbuilding industry and possibly the nation's economy.

If Daewoo closes the yard, it will slash Korea's annual shipbuilding capacity to 2.8 million dwt's [deadweight tons] from 4 million dwt's and shake the industry's international credibility.

It will also have a ripple effect, causing more than 40,000 layoffs at Daewoo subcontractors.

#### Head of Teachers Union Escapes Arrest

SK2705015689 Seoul THE KOREA TIMES in English  
27 May 89 p 3

[Text] While grilling 18 sacked teachers Thursday and Friday [25, 26 May], prosecutors armed with court-issued warrants are seeking to apprehend 18 others who are determined to push ahead with a scheduled Sunday rally to inaugurate a nationwide teachers trade union.

The 18 teachers who reported to prosecutor's offices are among 36 teachers sacked and sued for leading union organizations. Except for a Cheju middle school teacher, the 36 public school teachers fired for their attempt to form unions were accused of violating the Civil Service Law early this week.

The remaining 18 will be forcibly taken away for questioning, a prosecution spokesman said.

Prosecutors plan to interrogate all the 36 before Sunday, when a rally is scheduled on the Hanyang University campus to inaugurate the teachers' union.

In the case of Yun Yong-kyu, 53, chairman of Chonkyohyop (the National Council of Teachers) and Sin Maeng-sun, 47, leader of the council's Incheon branch, arrest warrants were issued.

Three or four of the council, a group of reform-minded teachers advocating the union organization face arrest on charges of violating the law that prohibits teachers from forming a union.

However, prosecutors have decided to drop charges against teachers who pledged not to participate in organizing a union.

Among 14 fired private school teachers who are not regulated by the state employees law, prosecutors suspect Yi Su-ho, 40, a key council leader of collecting about 200 million won through a fund-raising campaign for teachers' trade union organization.

Meanwhile, council leader Yun who escaped arrest Thursday night to Yonsei University campus, denounced government actions against the movement to organize a union.

The 53-year-old Yun, a physical education teacher, avoided police arrest in a skirmish between about 50 teachers and students and about 30 policemen in front of the council's office near the university where council member teachers staged pro-union demonstrations.

In the rally, Yun said the efforts of the country's 400,000 teachers to organize themselves is part of the struggle for democracy.

"Teachers also have the right to unite as workers and the union is indispensable for educational reforms," he said.

Yun also demanded the government stop oppressing teachers' efforts to organize and amendment of the laws that ban teachers of both private and public schools from organizing unions.

In the meantime, police decided yesterday not to allow the Sunday inauguration rally, with the deployment of about 5,000 policemen around the campus.

**Rate of Wage Settlement Higher Than Last Year**  
*SK2705030489 Seoul YONHAP in English 0117 GMT 27 May 89*

[Text] Seoul, May 27 (YONHAP)—South Koreans had predicted this year's pay negotiations would be the most disruptive in history, but the rate of settlement is higher than last year's.

As of Friday, 2,485 out of 5,115 work places liable for wage negotiations, or 48.58 percent, had reached agreements, up 7.45 percentage points over the same period of last year, according to statistics released Saturday [27 May] by the Labor Ministry.

The average pay raise was 17.62 percent, up 4.82 percentage points over last year, with blue collar workers outdoing white collar workers 19.31 percent to 15.37 percent.

Settlements were reached at 32.5 percent of the nation's top 30 companies, up 5.25 percentage points over one year earlier. Only three had reported a settlement in early April.

The manufacturing industry topped the list of pay raises with 18.18 percent, followed by construction (17.89 percent) and the banking and real estate sector (17.89 percent).

The wholesale and retail, service, electricity and gas, transportation and warehousing, and mining sectors showed 16.42 percent, 16.32 percent, 14.58 percent, 14.13 percent and 13.15 percent increases, respectively.

A ministry official attributed the relatively early settlements to frequent dialogue and employers' willingness to accept workers' demands because of falling productivity.

**Students Storm DJP Seoul City Chapter Office**  
*SK0906012989 Seoul THE KOREA TIMES in English 9 Jun 89 p 3*

[Text] Twelve students from six universities yesterday stormed the Seoul City chapter office of the ruling Democratic Justice Party (DJP), calling for the verification of the cause of Yi Chol-kyu's death. They occupied a conference room for 10 minutes before being hauled away by police.

The radical students from an activist group "struggling to topple the No Tae-u regime" also demanded that the two former presidents, Chon Tu-hwan and Choe Kyu-ha, testify before public on TV, Chang Ho-yong and Pak Chun-pyong be arrested and the United States apologize to Koreans for the Kwangju bloodshed.

**Flaws Seen in Bundang, Ilsan Cities Plan**  
*SK2705031889 Seoul YONHAP in English 0219 GMT 27 May 89*

[Text] Seoul, May 27 (YONHAP)—National Assembly Construction Committee members Friday [26 May] called on the government to review its plans to build two new cities near Seoul, saying serious flaws include security and transport problems.

The resolution, approved unanimously by the committee, will go to the full house on Monday and approval could have a substantial impact on the construction plans though it has no binding force.

The idea behind the new towns is to stabilize house prices and ease housing shortages in the crowded capital, but committee members noted that the town to be built at Ilsan lies too close to the military demarcation line that divides the Korean peninsula.

They said the government should review the plan's desirability in view of national security, the restructuring of metropolitan Seoul and farmers in the areas.



The government announced April 27 that it will construct two new towns of 180,000 apartments or houses in Bundang, on the southern outskirts of Seoul, and Ilsan, on the northwestern outskirts of Seoul, at a cost of 4 trillion won (about 60.15 billion U.S. dollars) by 1991.

**Energy Minister Warns of Possible 'Oil Shock'**

SK0806010489 Seoul THE KOREA TIMES in English  
8 Jun 89 p 8

[Text] Energy-Resources Minister Yi Pong-so said yesterday another oil shock might come earlier than expected in a lecture at the National Defense College.

Speaking on the "Changing Energy environment and Korea's Counterstrategies," Minister Yi noted that the decreased investment in the development of alternative energy and new oil fields may cause the new oil shock in view of the steep rise in oil demand over the past few years around the world.

He also said the Energy-Resources Ministry will continue to build nuclear power plants, pointing out that the nation's dependence on overseas energy will deepen as a result of the consumption cut of domestic anthracite coal.

Touching on the structure of the nation's energy supply and demand, he said his ministry will focus on expanding basic facilities to distribute gas because the demand is rapidly shifting to high-quality energy.

**Auto Exports Drop 31.4 Percent First Quarter**

SK2705033689 Seoul YONHAP in English 0235 GMT  
27 May 89

[Text] Seoul, May 27 (YONHAP)—South Korea's auto-makers are prospering at home but have suffered a sharp setback abroad, the Commerce-Industry Ministry reported Saturday.

The ministry said exports shrank 31.4 percent to 34,000 cars, down 24 percent in value to 764 million U.S. dollars, in the January-April period.

Domestic sales volume jumped 27.2 percent, a combination of 35.2 percent growth for cars and 16 percent for vans and buses, and sales value rose 5 percent, it said.

The ministry said frequent strikes in the auto parts industry slashed production 40-70 percent, the equivalent of 81,000 cars worth 1.12 billion dollars.

It attributed the export slump to appreciation of the Korean won, outdated cars and a tight-money policy in the United States coupled with an economic slowdown.

Exports will recover in the third quarter when the Sonata and new Excel hit the show rooms. It predicted that exports will rise 5 percent overall this year.

The government is urging the industry to focus on exports, avoiding domestic competition now that trade disputes are ebbing.

The ministry said Hyundai has a 45.9 percent share of the domestic market, KIA 31.4 percent, Daewoo 18.1 percent, Asia 2.4 percent and Ssangyong 2.1 percent.

Hyundai's dominance in car sales alone is 46.3 percent, followed by 33.4 percent for Daewoo, and 20.2 percent for KIA.

**Imported Luxury Car Sales 'Take Off'**

SK2705034089 Seoul YONHAP in English 0245 GMT  
27 May 89

[Text] Seoul, May 27 (YONHAP)—Sales of luxury foreign cars have taken off in South Korea as exports of the Korean automobiles are plunging.

By the end of April this year, a stunning 962 foreign cars had been sold since the market opened two years ago.

A government report showed Saturday that only 10 cars were imported in the second half of 1987 but that figure soared to 487 the following year and has already reached 465 in the first four months of this year.

Local sales agents say they plan to sell 1,445 cars by the end of this year.

Of the import cars, however, only 161 or 16.7 percent are American made—161 GM cars and 35 Fords—although it was the United States that pried open the Korean auto market.

Led by West Germany, European makers dominate the market with sales of 244 BMWs, 218 Mercedes Benzs, 154 Volvos, 74 Volkswagens, 47 Peugeots, 30 Fiats, 19 Renaults, and 15 Saabs.

Imports of Japanese cars are restricted under a government policy to reduce the country's chronic trade deficit with Japan.

## Burma

### Commission Suspends Contacts With Student Party

BK0506023289 Rangoon Domestic Service in Burmese  
1330 GMT 5 Jun 89

["Announcement No 253 of the Commission for Holding Democratic Multiparty General Elections of the Union of Myanmar dated 5 June 1989—2d day of the waxing moon of Nayon, 1351 Burmese era"]

[Text] Subject: Elections Commission Temporarily Suspends Contacts With the Democratic Party for New Society [DPNS]

1. The Commission for Holding Multiparty General Elections of the Union of Myanmar announced today that the DPNS, which has its headquarters at No 822, Maha Bandoola Street, Lanmadaw Township, Rangoon Division, was permitted to register as a political party by the commission effective 13 October 1988.

2. The commission stated this in Announcement No 19 of 14 October 1988 which also listed the following Central Executive Committee:

Chairman:	U Myo Than Htut, alias Moe Thi Zun
Vice Chairman:	U Tin Htut, alias Thet Tun
General Secretary:	U Naing Win, alias Moe Hein
Joint General Secretary:	U Ye Naing Aung
Treasurer:	U Tin Tun Hlaing
Information:	U Win Myint Aung
Organization:	U Kyaw Min Yu, alias Jimmy
Management, Discipline:	U Yin Htwe

3. When this commission registered the DPNS, Chairman U Myo Than Htut, alias Moe Thi Zun, signed the following guarantees:

A. That the party was not illegal under any domestic law.  
B. That the party was not an insurgent organization that had taken up arms and was rebelling against the state.  
C. That the party, directly or indirectly, did not make use of funds, buildings, vehicles, and property belonging to the state.

D. That the party, directly or indirectly, did not get cash, property, or any other support from a foreign government or a foreign religious or other organization.

E. That the party did not make use of religion for political gain.

F. That the party did not have as its members, members of the defense organizations, such as the Defense Forces and the People's Police Force; public service organizations; state economic boards, corporations, and enterprises; and other public service personnel who earn salaries from state funds.

4. Since then, this commission had been making legal contacts with the DPNS. Subsequently, DPNS Chairman U Myo Than Htut, alias Moe Thi Zun, resigned from the chairmanship, withdrew his party membership, and went underground.

5. Moreover, this commission has received submissions from a faction headed by DPNS General Secretary U Naing Win, alias Moe Hein, and another DPNS faction led by U Ye Min Naing, alias Aung Zeya, for recognition of their respective factions. Hence, the DPNS evidently has two factions with differing opinions.

6. However, since Chairman U Myo Than Htut, alias Moe Thi Zun, has resigned and has gone underground, it has become necessary for a responsible person in the DPNS to sign guarantees for the party in accordance with Section 3 of the Political Parties Registration Law. Should the party be able to come up with one unanimously nominated person, the commission is willing to accept him. However, since there are two different factions within the DPNS, this commission cannot accept a submission from any one of these factions. The commission is of the opinion that intra-party affairs should be resolved by the party itself.

7. In accordance with this principle, the commission has given 1 month to the DSNP people to resolve their own affairs. However, the two factions appear not to have changed their stances. Moreover, the commission has received intimations from the two factions of the DPNS—formerly headquartered at No 822, Maha Bandoola Street, Lanmadaw Township, Rangoon Division—that the headquarters has been moved either to No 199, Anawrahta Street, Pabedan Township, Rangoon, or to No 141, first floor, 38th Street, Kyauktada Township, Rangoon Division. Hence, there is no single individual who can guarantee for the DPNS and who can deal with the commission, and there are also two locations for the DPNS headquarters reflecting the two factions. The commission therefore has difficulties in contacting the DPNS.

8. Because of this situation and due to the lack of any one person who can be the guarantor for the DPNS, the commission has decided to temporarily suspend all legal contacts with that party.

Signed: By the authority vested in me, Aye Maung, secretary

### Government Tightens Law on Printers, Publishers

BK0806030989 Rangoon Domestic Service in Burmese  
1330 GMT 7 Jun 89

["Directive No 38 of the Printers and Publishers Central Registration Committee of the Ministry of Home and Religious Affairs, Government of the Union of Myanmar, dated 6 June 1989—the 3d day of the waxing moon of Nayon, 1351 Burmese era"]

[Text] 1. Rule No 18 of the 1962 printers and publishers registration law states that all newspapers, pamphlets, bulletins, periodicals, journals, magazines, books or all

other documents printed in the Union of Myanma shall contain legibly printed information concerning the name of the printer, his registration number, and the name and location of the press.

Any publisher who publishes any newspapers, pamphlet, bulletin, periodical, journal, magazine, book or other publications in the Union of Myanma shall carry legibly printed information on the name of the publisher, his registration number, the name of the publishing house, and its location.

2. Rule No 19 of the 1962 printers and publishers registration law states that the name of the editor must distinctly appear in all newspapers, periodicals, journals, and magazines in the Union of Myanma.

3. With effect from 9 May 1977, it was mandatory to submit all manuscripts, including novels but not including periodicals which are published regularly, for approval before printing and publishing them. This was stated in Directive No 22 of the Printers and Publishers Central Registration Committee 7 May 1977.

4. At present, some printers and publishers and organizations and individuals engaged in printing and publishing are not abiding by the provisions of Rule No 18 and 19 of the 1962 Printers and Publishers Registration Law and Directive No 22 of 7 May 1977.

5. Hence, with effect from 6 June 1989, the Day Directive No 38 was issued, effective action will be taken under section 20 of the 1962 Printers and Publishers Registration Law against all organizations and individuals violating Rule No 18 and 19 of the 1962 Printers and Publishers Registration Law and Directive No 22 of 7 May 1977.

[Signed] Major General Phone Myint, minister, Ministry of Home and Religious Affairs

#### **Army Chief Receives Thai Border Delegation**

BK0806150989 Rangoon Domestic Service in Burmese  
1330 GMT 8 Jun 89

[Text] Lieutenant General Than Shwe, commander in chief of the Army of the Union of Myanma, today received a Thai border delegation led by Lieutenant General Narudon Detpradiyut which is in Rangoon to attend the regional border committee meeting at 1600 at Dagon Yeiktha of the Ministry of Defense.

Present at the meeting with Lt Gen Than Shwe were Brigadier General Khin Nyunt, director of the Defense Forces Intelligence; Brigadier General Tin U, Army chief of staff; Brigadier General Nyan Lin, commander of the Southeast Military Command; Brigadier General Maung Aye, commander of the Eastern Command; and U Ohn Gyaw, director general of the Department of Political Affairs of the Foreign Ministry.

The Thai delegation to the regional border meeting arrived in Rangoon by air in a special plane at 1500. They were welcomed at the airport by Brig Gen Nyan Lin, commander of the Southeast Military Command; Brig Gen Maung Aye, commander of the Eastern Military Command; Colonel Kyaw Win, director of the Defense Services Medical Department; Colonel Myo Thant, director of communications; U Ohn Gyaw, director general of the Department of Political Affairs of the Foreign Ministry; U Thein Swe, director of the Fine Arts Department of the Ministry of Culture; and responsible officials.

#### **Troops Attempt To Clear Logging Routes to China**

BK0906004989 Bangkok BANGKOK POST in English  
9 Jun 89 p 7

[Text] Burmese Government troops have attacked Kachin rebel forces in several areas of Kachin State opposite China in an effort to clear logging routes, Chairman of the Kachin Independence Organisation, Brang Seng, said yesterday.

Brang Seng said heavy fighting, which started on May 20, has centred on Bhamo District and is continuing.

Casualties on both sides are high, he said.

Burma wants to sell its teak to China if it is able to clear Kachin rebel forces from the border area.

The rebel leader claimed Rangoon would not be able to clear the logging routes.

The Burmese Government recently announced that it would get rid of all armed insurgencies.

Meanwhile the Vice President of the Karen National Union [KNU], Saw Than Aung, said yesterday Burmese troops have intensified their attacks against Karen forces at Wangkha and Phalu camps opposite Tak Province.

The two camps are pounded daily with hundreds of rounds of artillery and mortar, he said.

He said the Burmese had tried every means possible to overrun the camps, including crossing into Thailand and attacking from the rear.

The KNU, he said, would try to defend the camps but if it is unable to do so the rebels will adopt guerrilla tactics.

Saw Than Aung claimed that between May 6 and June 6 some 387 Burmese soldiers were killed and 930 wounded in attempts to overrun old Wangkha.



## Brunei, Malaysia & Singapore

### Malaysia

#### **Mahathir Hopes for End to Unrest in China**

BK0806121489 Kuala Lumpur BERNAMA in English  
1132 GMT 8 Jun 89

[Text] Kuala Lumpur, June 8 (OANA-BERNAMA)—Malaysia Thursday [8 June] expressed the hope that the unrest in China can be resolved quickly without the loss of lives of more Chinese citizens.

Prime Minister Dr Mahathir Mohamed said the Malaysian Government had no intention of interfering in the affairs of China but expressed sadness that the unrest had resulted in deaths of people.

#### **Foreign Ministry Monitoring Situation**

BK0806061689 Kuala Lumpur International Service  
in English 0600 GMT 8 Jun 89

[Text] The minister of foreign affairs, Datuk Abu Hassan Omar, said Malaysia is concerned for the situation in China. He said the Foreign Ministry is monitoring the situation.

The 61 family members of the Malaysian Embassy staff in Beijing are returning home. They are due back at 9:30 tonight. The other 21 staff members including Ambassador Datuk Ismail Mohamed will remain in Beijing for the moment.

Datuk Abu Hassan said that Malaysians in China who wish to return home or have any problems should contact the embassy there. At the same time, Malaysians who plan to visit China have been advised not to do so at the moment.

#### **Western Media Accused of Thwarting Investment**

BK0806101189 Kuala Lumpur BERITA HARIAN  
in Malay 31 May 88 p 10

[Editorial: "The Media's Report Is Not a Yardstick for Political Stability"]

[Text] It is clear that efforts by the Western media to smear developing nations, especially Malaysia, will not deter foreign investors from making investments in this country. On the contrary, the foreign investors know the real situation about the good climate for investment opportunities that exist in developing countries. The lack of information on the opportunities and benefits provided by the government and the private sector is the major obstacle preventing further investments in this country. This was proven by Prime Minister Datuk Sri Dr Mahathir's recent tour to Britain and the United States. On his return to the country yesterday [30 May], the prime minister told newsmen that investors of the two nations considered Malaysia a profitable investment center only after they were directly briefed by him

concerning the numerous investment opportunities. We should accept the investors' opinions in a positive manner and make a continuous joint effort to repel the Western media's politics for everyone's benefit.

It is a well-known fact that the Western media smears the Third World's image and deliberately distorts reports about the unstable situation that exists in the nations which they select as their victims; more so with the Islamic nations. Malaysia, too, has not been spared from becoming a victim—even more so with the frequent allegations that this country refrains from practicing a democratic system, resorting to suppressive actions, and so on. The Western media does whatever it wants so long as its goals are achieved—that is, to obliterate the developing nations from the modernized Western nations with the hope that developing nations will be forced to utilize their own primary commodities. They resort to various devious tricks and methods. For example, they will hide behind the excuse of conserving the environment, guaranteeing people's human rights—especially the natives' rights—and protecting workers rights from actions they consider oppressive. Western media creates dissension among the multiracial societies and uses religious issues so that multiracial societies will constantly be at loggerheads with one another. Strangely, some of these actions are carried out with the support of the local people, who only side with Western media for their own personal benefit. Joint smear campaigns were deliberately planned and distorted facts were presented through documentary films and reports, which supposedly presented the true existing situation. When the Western community reads the reports or views the documentaries, undoubtedly they believe that such situations really exist in this country.

We have never read true reports or heard about positive information about our country's political and economic situation from abroad. When an internal crisis occurs within the ruling party, this crisis will be blown out of proportion until it really frightens the foreigners, especially the foreign investors. Furthermore, Western media tries to conduct a detailed analysis of our economic situation whenever the government announces a policy, whether that policy is aimed at achieving a more rapid local industrial development or at guaranteeing a better livelihood for the workers. In fact, the Western media deliberately downplays the government's real objectives because they fear more foreign investors will increase their investments in this country. This is their attitude. The truth behind this attitude is still hazy. However, with the available evidence, it was discovered that the actions of the Western media were carried out with the support of certain groups which were envious of the rapid development currently taking place in developing nations. For example, there are groups which are reluctant to face competition, such as the American Soybean Association which conducted the anti-palm oil smear campaign. These groups are envious because people from developing nations are leading a more comfortable

and easier life than them. They are even more envious if products from developing nations flood their own country's markets, more so when those products gain popularity among consumers.

From the discussions held with Prime Minister Datuk Sri Dr Mahathir by several foreign magazines, newspapers, and television media, it is clear that lopsided reports cannot obstruct Western investors from investing in Malaysia. However, the fact still remains that they are reluctant to invest in our country because of the lack of information about the true political situation and the investment opportunities in this country. Due to the prime minister's clarification concerning these two issues, Western investors have shown a keen interest in reviewing the investment opportunities here. As such, it is the responsibility of the leaders and officials of Malaysia's foreign missions and the various agencies abroad to supply all the necessary information needed by the foreign investors. More importantly, they should make greater efforts to repel the Western media's mischievous and unfounded allegations.

**Illegal Indonesian Immigrant Problem Viewed**  
*BK0906093389 Kuala Lumpur BERITA HARIAN*  
*in Malay 3 Jun 88 p 10*

[Editorial: "Indonesia's New Measure May Be Effective"]

[Text] The issue of illegal immigrants entering the country has been widely discussed recently between the security authorities and individuals. This is because of the dreaded fear and sharp reaction among the local community who expressed concern over the immigrants' presence. People are angered because the presence of illegal immigrants in the country poses a keen competition for them, especially for those in the labor market and more so for the plantation and construction sectors. According to a current report, the illegal laborers are willing to be employed for wages lower than those demanded by local workers, and this situation has encouraged employers to absorb them—which favorably affords the employers with a considerable cutback on costs. A portion of the illegal immigrant community is involved in petty businesses such as vending and the running of small foodstalls. These small business activities were previously the local indigenous people's major small business ventures. Furthermore, the local community abhors the nefarious activities such as burglaries and robberies conducted by some illegal immigrants. There were incidents in which illegal immigrants were involved in armed criminal activities. The authorities, especially the police, are very concerned about such undesirable activities conducted by illegal immigrants.

The Malaysian Government had taken several measures in its efforts to overcome this problem, but such steps proved to be unsuccessful. This indicated that measures carried out will be ineffective if only one side practices such measures. The country responsible for this problem

should act accordingly and extend its cooperation in an effort to stop this problem from recurring. Malaysia can only take necessary actions based on its own laws. This means that the police and the immigration authorities need to launch continuous raids on places suspected to be the illegal immigrants' disembarkation and congregation centers. However, these measures proved to be hopelessly ineffective. The areas under surveillance are too great, and, furthermore, the two authorities—the police and immigration authorities—do not have the required manpower to carry out such duties. As such, the two authorities are able to carry out such actions periodically only upon receiving information or tip-offs from the public. An issue that should be given attention here is that when such actions are taken, there is the possibility that some untoward incidents might occur—as in an incident that occurred yesterday. According to a report, immigration officials were forced to shave the heads of some 30 illegal immigrants, leaving them bald, before repatriating them from an exit point in Batu Pahat. This action was taken in an effort to stop them from returning to this country. Generally, after immigration authorities have transported the illegal immigrants to international waters, they would return and make a landing at some other area.

However, we welcome the Indonesian Government's intention to launch an operation to educate its citizens about legal employment procedures required in Malaysia. A report by Indonesian Minister of Manpower Cosmas Batubara stated that his ministry's officials will be conducting information campaigns throughout the villages about the importance of having valid documents before leaving the country to seek employment opportunities abroad. He expressed the hope that the information campaigns will deter Indonesians seeking employment opportunities abroad from entering foreign countries illegally. We consider this move as only part of a plan that should be carried out in an effort to prevent people entering illegally into neighboring countries. Besides this, Indonesia should also take the initiative to more quickly provide valid travel documents or relax certain conditions that could obstruct their citizens from getting the required legal documents before leaving the country for employment opportunities abroad. Indonesia should also monitor and control several areas—especially in Sumatera—that are the major exit areas; these bases are frequently used by its people, due to the very close proximity with Malaysia. Jakarta's cooperation in this matter is very much sought after.

We sympathize with foreigners who face hardships in their country, but this does not mean that we should allow them to carry out activities detrimental to our laws. We do not want to sacrifice the future of our unemployed and petty traders just for the sake of compassion. More importantly, we are unprepared to sacrifice our people's safety and properties just for the sake of extending assistance to those who face severe hardships. However, we have never blocked the inflow of foreign workers into our country, because their services are in

great demand to assist in the smooth flow of development, especially in the plantation and construction sectors. Simultaneously, it is hoped that their arrival in this country will be legitimate and their activities should be only centered on earning a livelihood and not to create problems for the local society. As such, we hope that the Indonesian Government's move to inform and educate its people who desire to seek employment opportunities in Malaysia will be carried out conscientiously to ensure a harmonious relationship between the peoples of the two nations.

### Singapore

#### Special Flight Returns From Beijing

BK0806033289 Hong Kong AFP in English 0249 GMT  
8 Jun 89

[Text] Singapore, June 8 (AFP)—Four hundred Singaporeans arrived here early Thursday on a special Singapore Airlines (SIA) flight from Beijing, which refuelled and left again for the Chinese capital hours later.

A spokesman for SIA said the return flight would ferry back another 360 Singaporeans still in Beijing. It was expected in Singapore Thursday evening.

Regularly scheduled SIA flights from China were also operating.

The spokesman said there were no immediate plans to organise another special flight, although an aircraft has been put on standby. He said further special flights would depend on the situation in China.

The special flights were intended for Singaporeans, but foreigners holding valid SIA tickets would be allowed to register, the spokesman said.

On Wednesday, Singapore asked relatives of Singaporeans currently in China to contact the Foreign Ministry with the relatives' addresses and phone numbers so that they could be assisted if necessary.

Earlier, Singapore advised nationals to leave Beijing as soon as possible.

### Cambodia

#### Radio Predicts U.S. Arms To Reach Khmer Rouge

BK0906044189 Phnom Penh Domestic Service  
in Cambodian 1300 GMT 8 Jun 89

[Station commentary: "An Interference Which Is Most Detested by Public Opinion"]

[Text] Public opinion is currently praising the positive development of the process to find a just political solution to the Cambodian problem. Even many foreign observers are of the opinion that the Cambodian problem would be immediately solved following the complete

withdrawal of Vietnamese volunteer troops in September. However, what people are worried about and should take measures to prevent is the return of the genocidal Pol Pot regime and an eventual civil war. This is a major issue and one to which no one can remain indifferent.

As people are well aware, at the JIM 1 and JIM 2 [first and second Jakarta informal meetings], at every meeting of opposing Cambodian parties, at the Vietnam-Chinese meeting, and at the Sino-Soviet summit, including those involving political personalities and many countries, the unanimous view reached is that the complete withdrawal of Vietnamese volunteer troops from Cambodia should go hand in hand with the prevention of the genocidal regime's return, the end of assistance to opposing Cambodian parties, and the end of interference in Cambodia's internal affairs. All these points have been agreed upon and accepted by the people. The demand for the elimination of the genocidal Pol Pot clique is currently strongly voiced by public opinion which supports those who have made sincere contributions to find a clear formula for a political solution to the Cambodian problem, particular the constructive stand of the State of Cambodia as well as of the three Indochinese countries.

It ought to be noted that the three Indochinese countries joint statement on the complete withdrawal of Vietnamese volunteer troops from Cambodia by the end of September and the State of Cambodia's efforts and concessions aimed at quickly achieving a solution to the Cambodian problem have been most highly and justly appraised by public opinion. Now it is almost the end of the Vietnamese volunteer troops presence in Cambodia and those who attempt to oppose the Cambodian people's rebirth have no more pretext to distort and exaggerate the real situation in Cambodia.

Considering the tendency toward negotiation, which is developing in the region, and the fact that efforts to find a reasonable solution to the Cambodian problem are moving rapidly, general public opinion has clearly determined that the tight knot of more than ten years would be untied. However, just when this budding hope is taking shape, a number of countries have made efforts to hinder this developing tendency.

Recently, while countries were concerned about the return of the genocidal Pol Pot regime and a civil war in Cambodia following Vietnam's troop withdrawal, the United States have tried to dispatch military aid, worth from \$5.5 million in 1989 to \$7.5 million in 1990, to the so-called noncommunist resistance fighters. This act by the United States not only is pessimistic about a solution to the Cambodian problem but is also an act attempting to encourage the rotten genocidal Pol Pot clique to create destruction through civil war in Cambodia. Everyone knows that in the past as in the present, Samdech Sihanouk, Son Sann, as well as the Khmer Rouge-Pol Pot, are in the same alliance of the so-called Coalition Government of Democratic Kampuchea. And in the past few months,



these people have set up the so-called Supreme Council for National Defense headed by Samdech Sihanouk with Pol Pot as the backbone of this council.

Does not everyone realize that the weapons the United States is supplying will fall into the hands of the Khmer Rouge? The supply of any military aid in the current phase only strengthens the alliance between Samdech Sihanouk and the Khmer Rouge-Pol Pot and draws Samdech Sihanouk back from making efforts to find a solution through negotiations. The Cambodian people, who have been constant victims of U.S. imperialism as well as victims of the cruel genocidal Pol Pot regime, want nothing else but peace and security. We vehemently denounce this cheap act by the United States because this is completely against the aspirations of the Cambodian people as well as the region and the world which want an appropriate and just solution to the Cambodian people. The Cambodian people categorically demand that the U.S. Administration rectify this inappropriate act because this is an interference which is most detested by public opinion.

**Economic Cooperation Memo Signed With Laos**  
*BK0506115789 Phnom Penh SPK in English 1059 GMT 5 Jun 89*

[Text] Phnom Penh SPK June 5—A delegation of the Cambodian Ministry of Finance headed by its minister Chhay Than has returned here after an eight-day working visit to Laos.

While in Laos from May 26-June 2, the Cambodian delegation was received by Nouhak Phoumsavan, Politburo member of the Lao People's Revolutionary Party Central Committee, first vice chairman of the Council of Ministers, and president of the Lao People's Supreme Assembly.

A memo on economic and financial cooperation between Cambodia and Laos for 1990 was signed on this occasion.

**Memo on Consular Accord With Poland Signed**  
*BK0806061089 Phnom Penh Domestic Service in Cambodian 0430 GMT 8 Jun 89*

[Text] A ceremony was held on 7 June at the office of the Foreign Ministry to sign a memo on the exchange of the instrument of ratification between the State of Cambodia and the Polish People's Republic.

On that occasion, Comrade Long Visalo, deputy foreign minister of the State of Cambodia, and Comrade Josef Kobialka, ambassador extraordinary and plenipotentiary of the Polish People's Republic to Cambodia, signed the protocol on the exchange of the instrument of ratification on the consular accord which was signed in Warsaw on 23 July 1987 and to take effect on 8 July 1989.

**Mat Ly Meets With Muslims in Kompong Chhnang**  
*BK0906075689 Phnom Penh Domestic Service in Cambodian 0430 GMT 9 Jun 89*

[Text] After attending the 5-6 June provincial meeting of party cadres in Kompong Chhnang Province, on 7 June a high-ranking party and state delegation led by Comrade Mat Ly, member of the party Central Committee Political Bureau, vice chairman of the National Assembly, and chairman of the Federation of Trade Unions, visited and presented medicines and consumer goods to the masses and Muslims in Rolea Pier and Kompong Tralach Districts.

On that occasion, Comrade Mat Ly spoke about various new events in the State of Cambodia such as the second national conference of party cadres, the extraordinary session of the National Assembly, and the fourth meeting between Comrade Hun Sen and Samdech Sihanouk.

The comrade acclaimed the people in the two districts for their joint efforts in defending and building their localities in all aspects, thus enabling them to enjoy a better life.

Comrade Mat Ly also clearly explained to them the policy on the tenant and use of land and the policy on peasants. He also exhorted all of them to continue striving to defend villages and communes, take part in the campaign to persuade misled persons to return to the fold, and pay attention to clearing more land for use in farming to improve their livelihoods and help our country advance toward prosperity.

On the same day, the high-ranking party and state delegation returned safely to Phnom Penh.

**Call for Supervision of Troop Pullout Renewed**  
*BK0906034489 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 8 Jun 89*

[Station commentary: "The Hanoi Vietnamese Refuse Genuine Control of the Vietnamese Aggressor Troop Pullout Because They Want To Continue the War and Occupy Cambodia Forever"]

[Text] Vietnamese Deputy Foreign Minister Dinh Nho Liem recently said in Bangkok, Hanoi will not accept a UN role in supervising Vietnam's withdrawal from Cambodia and in supervising free elections in the country.

The United Nations has firmly condemned the Hanoi Vietnamese aggression in Cambodia and demanded that Vietnam pull all of its aggressor forces out of the country. Therefore, supervision by the United Nations is the most effective one. If the United Nations has a role in supervising Vietnam's withdrawal and the elections in Cambodia:

1. Vietnam cannot cheat on withdrawing its aggressor forces from Cambodia.

2. Vietnam cannot dupe people and get its forces, which have already disguised themselves as Cambodian forces, to take part in the elections to support Vietnam through the Phnom Penh puppets so that Vietnam can stay and occupy Cambodia forever.

This shows that the effective role of the United Nations in supervising Vietnam's withdrawal from Cambodia and in supervising elections in the country would destroy Vietnam's strategic plan to annex Cambodia to be a Vietnamese province. Without genuine international supervision of the United Nations, Vietnam will continue to occupy Cambodia, the war in Cambodia will not end, and there will be no stability in Southeast Asia.

**SRV Troops Seen in Stung Treng, Preah Vihear**  
*BK0906013389 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian*  
2315 GMT 8 Jun 89

[Excerpts] On 20 May, the Hanoi Vietnamese brought 65 truck loads of fresh Vietnamese soldiers, wearing puppet troop uniforms, and 2 105-mm guns and 4 130-mm guns from Vietnam's 5th Military Region along Route 19 to Stung Treng provincial seat. [passage omitted]

On 25 May, the Hanoi Vietnamese aggressors in Cambodia moved a full regiment of fresh Vietnamese troops from the 5th Military Region to Stung Treng provincial seat; some were stationed along Chhep road in Chhep District [Preah Vihear Province]. Another large number of Vietnamese soldiers with hand weapons, machine-guns, mortars, 105-mm and 130-mm guns, and a lot of various types of ammunition were hidden in the jungles east of Koki village in Chey Sen District, Preah Vihear Province. [passage omitted]

### Laos

**Border Talks With PRC End 'Successfully'**  
*BK0906025189 Vientiane Domestic Service in Lao*  
1200 GMT 8 Jun 89

[Text] A technical delegation of the Lao People's Democratic Republic led by Phoun Khammounheuang, chief of the Consular Department, and a technical delegation of the PRC led by Xi Zhuangjian, deputy chief of the Contract and Law Department, has successfully concluded, in Vientiane, the first round of talks on the draft provisional agreement on border affairs between the two countries.

The talks proceeded in an atmosphere of friendship and mutual understanding. The two sides reached unanimity on many issues raised for discussion on the basis of the Treaty on Border Demarcation between Tonkin and China dated 26 June 1887 and the supplementary treaty of 20 June 1895.

The success of the talks between the technical delegations of the two sides has contributed to promoting and expanding the good-neighborly relations between the

two countries. It has also helped turn the Lao-Chinese border into a border of peace and friendship, thus creating favorable conditions for the peoples residing along the border to earn their living.

In addition to holding talks, the Chinese technical delegation visited economic and cultural establishments in Vientiane capital and in Champassak Province.

**Meeting Held With Thai Military Committee**  
*BK0906060789 Vientiane Domestic Service in Lao*  
0430 GMT 9 Jun 89

[Text] Acting upon an agreement reached between the Lao-Thai and Thai-Lao joint military committees in their meeting on 16 May, based on the present true situation, meetings between the joint military committees of the two sides are regularly held once a month.

For the month of June, the meeting was held at the meeting hall of Na Haeo District Hospital in Thailand's Loei Province on 7 June. The Lao side was headed by Lieutenant Colonel Khamman Kommameuang, chief of the Lao-Thai joint military committee, and the Thai side was headed by Lieutenant Colonel Anan Raktham, member of the Thai-Lao joint military committee. Also attending were representatives of the local administrations of Laos' Boten District and Thailand's Na Haeo District.

The meeting proceeded in an atmosphere of mutual understanding. The two sides informed each other of the past situation and discussed means to settle various problems which have caused difficulties for the peoples living along both sides of the border to travel, exchange visits, and carry out trading activities. They discussed means to check illegal activities carried out by ill-intentioned elements who have intended to sabotage tranquillity of the peoples residing along the border. They also held consultations on means to settle certain remaining problems, such as the problem of searching for and gathering remains of soldiers who were killed in the border dispute in Laos' Boten District, Sayaboury Province, and Thailand's Chat Trakan District, Phitsanulok Province.

The next meeting is scheduled to be held in early July.

### Philippines

**8 U.S. Servicemen Said on NPA Hit List**  
*HK0906091589 Manila THE PHILIPPINE STAR*  
in English 8 Jun 89 p 3

[By Ding Cervantes]

[Text] Eight American servicemen, including a major and three captains based at Clark air base, have been listed for assassination by the hit squad of the New People's Army [NPA] in Angeles City.

Maj. Julius F. Yarcia, Angeles City Metrodiscom [Metropolitan District Command] chief, told newsmen yesterday that an NPA surveillance team has been gathering information about their targets and apparently bent on carrying out their liquidation missions "at the right time."

The list, Yarcia said, also included three master sergeants and an airman. He declined to reveal the names of the U.S. servicemen but said the military has already coordinated with Clark's office of special investigation for their protection.

He said the hit list was among the subversive documents captured by the military during a raid of an NPA headquarters in Pangasinan recently. He said the documents indicated that the eight Americans are suspected by the rebels of supporting the armed forces in anti-insurgency operations.

The documents mentioned a gunbattle between rebels and soldiers which occurred sometime last year in Barangay Camachile in Mabalacat, Pampanga where one of the target Americans reportedly transported a wounded soldier in an ambulance to Clark Hospital.

Yarcia said, however, that there are indications that the NPA assassination plot against the servicemen has been stalled by the "deactivation" of the Mariano Garcia brigade, the NPA hit squad in Angeles. He said the deactivation was apparently provoked by strengthened military operations in the city following NPA threats of a summer offensive earlier.

The American targets, he said, have reportedly [been] asked by Clark authorities not to leave the premises of the U.S. facility.

**Senator Says China Unrest Reason for Bases**  
*HK0906104189 Manila Radio Veritas in Tagalog*  
0900 GMT 9 Jun 89

[Text] The current unrest in Beijing is a very strong reason for the retention of the U.S. military bases in the country. This was the view of Senator John Osmena, who said that the six U.S. installations in the country maintain a balance of military forces in Southeast Asia. The China issue should spark a study of a possible extension of the U.S. bases. The use of force against the pro-democracy demonstrators in China has disregarded the peace concept in the region.

**Aquino To Bar Philippine Burial for Marcos**  
*HK0806111989 Quezon City GMA 7 Radio-Television Arts Network in Tagalog* 1030 GMT 8 Jun 89

[From "GMA News" program]

[Text] President Corazon Aquino today said that she will exhaust all available measures to prevent any attempt to bring Marcos' body into the country in the event of his death. This is the president's reaction to a statement

issued by Marcos' lawyers saying that the government has no right to interfere in the family's wish to bury Mr Marcos in the country. She also said she will not cancel her trip to Europe even if the former Philippine strongman die.

**Plans To Make July Trips**  
*HK0906042789 Baguio City Mountain Province*  
*Broadcasting Company in English* 0330 GMT 9 Jun 89

[Text] President Aquino's state visit to Germany and France this July will push through even if Marcos dies before her scheduled trips. In a press statement, read by Press Under Secretary Felix Bautista, Mrs Aquino said the government is capable of barring possible attempts by the Marcos family to ship the deposed president's body by a private airline company.

**Ileto Denies Statement on Possible Marcos Return**  
*HK0806133889 Manila Radio Veritas in Tagalog*  
1300 GMT 8 Jun 89

[Text] National Security Adviser Rafael Ileto denied saying that he will allow the return of Marcos body in the event of his death if loyalists will sign an agreement that no violence will occur. Earlier, it was reported that Ileto issued the statement when he appeared before a hearing by the Senate Committee on National Defense headed by Senator Ernesto Maceda. Transcripts of Ileto's statements to the committee were distributed to Malacanang press corps as evidence.

**Filipinos Evacuated from Beijing Arrive in Manila**  
*HK0906032289 Quezon City Radyo ng Bayan in Tagalog*  
0300 GMT 9 Jun 89

[Text] One hundred and fifty-three Filipinos who were evacuated from China arrived in Manila this morning at 0255. They came on board a special Philippine Air Lines DC-10 plane. Among the Filipinos were hotel workers, tourists, and other workers employed in China. The aircraft left Manila yesterday, soon after Vice Consul Corazon Patarata sounded the alarm that it would be too late if the Filipinos were not evacuated until today.

**President Aquino Signs Wage Increase Bill**  
*HK0906042589 Quezon City Radyo ng Bayan in Tagalog*  
0400 GMT 9

[Text] President Corazon Aquino has approved the proposed wage increase bill. Sel Baisa has the details:

[Begin recording] During simple ceremonies in Malacanang this morning, President Aquino signed Republic Act 6727, known as the Wage Rationalization Act. In signing the new law, the president stressed the four-point program which calls on labor and management to strengthen the collective bargaining process. This, the president said, means that all future wage increases will be in the hands of both sectors. She also emphasized that



labor, management, and the government should cooperate in fighting inflation. Under the new law, workers will receive an additional P [peso] 25, P20, and P15 in their daily wage. [end recording]

**Editorial on Disclosure of 'Killing Fields'**  
*HK0906050389 Manila PHILIPPINE DAILY INQUIRER in English 9 Jun 89 p 4*

[Editorial: "CPP-NPA Leaders Face 'Killing Fields' Dilemma"]

[Text] If we are to go by the word of former NPA [New People's Army] rebels Apolinario Pabricio alias Ka [Comrade] Poleng, and Eddie Borromeo, alias Ka Aries, it would seem that the New People's Army has been conducting a deadly purge of suspected DPAS or "deep penetration agents."

Ka Aries even goes so far as to say that Gregorio Rosal, spokesman of the NPA Melito Glor command in Southern Luzon, and Carolina Malay, a leading figure in the National Democratic Front, have admitted that communist cadres committed a "major blunder" when they tortured and killed comrades suspected of spying for the government.

The revelations come in the wake of the discovery of 44 bodies in so-called "killing fields" or mass graves in Lagunna and Quezon.

Despite the skepticism of the chairman of the House subcommittee on internal security, and of human rights groups who want forensic experts to first determine the causes of death, the "purge theory" has been gaining ground.

In this, Pabricio, Borromeo and Severino Ranoda, alias Ka Benjie, have played a large part, mesmerizing the public with their tales of comradely treachery within the NPA, where friends, family and spouses can turn executioners almost without reason, save for that of "organizational discipline."

The killings, if it is proven that the bodies in the mass graves are indeed those of NPA's executed by their own, would seem yet another indictment of Maoist rigidity, a Tiananmen carried out in gradual phases and far from the prying eyes of media.

It puts an entirely new complexion on the insurgency, which those sympathetic to the cause of social justice and change have tended to romanticize, ascribing nothing but idealism, love for country and commitment to cause to the rebel leadership and mass base.

Apparently, the communist hierarchy realizes the great blow the "killing fields" have dealt the party's fairly successful propaganda efforts. Ka Poleng says Satur Ocampo, secretary-general of the CPP, has issued a directive to all NPA commands to "arrest and investigate"

those suspected of spying for the enemy, warning against torture and summary killings, but also ordering that none of the events taking place in NPA camps be divulged.

Perhaps Ocampo and the CPP [Communist Party of the Philippines]-NPA leadership should go farther than this, and seek to give justice to those comrades unjustly tried, tortured and/or executed on mere suspicion of their loyalties, ferreting out those in the field who used the search for DPAS as an excuse to gain greater power and eliminate potential rivals or recalcitrant supporters. But that, of course, would mean admitting the purge did indeed take place and that the three former comrades have been telling the truth all along.

That is not likely to happen, but in this world there is always room for foolish hopes.

### Thailand

**Interview Ban Placed on Military Officials**

*BK0906012589 Bangkok BANGKOK POST in English 9 Jun 89 p 7*

[Text] Acting Supreme Commander and Army Commander-in-Chief Gen Chawalit Yongchaiyut yesterday issued an order prohibiting all military personnel under the Supreme Command from giving interviews, statements and lectures which concern politics.

Exempted from the order are those assigned to give lectures on educational activities of the Armed Forces.

The order, No. 298/2532, which took effect yesterday, was announced on television and radio last night.

It said the names of agencies under the Supreme Command including the Internal Peacekeeping Command, Internal Security Operations Command and Capital Security Command, have recently been used by some people for personal gain.

For instance, it was reported that the Armed Forces supports a proposed constitutional change particularly with the attachment of a transitory clause, despite the fact that Gen Chawalit had made clear the Armed Forces stand in his interview on the proposed constitutional amendment on May 30.

Gen Chawalit said in his interview that any change could be made if it is good and if opinions from all groups of people on the matter are heard according to democratic principles, the order said. [sentence as published]

"So, to prevent any further misunderstanding, from now on all military personnel of the Supreme Command and units under it are definitely prevented from giving interviews, statements and lectures which concern politics. Exempted from this order are those assigned to give lectures on educational activities of the Armed Forces," the order said.

However, the order said the prohibition does not mean that the Armed Forces will stop monitoring the political situation and democratic development or halt its efforts to protect against doctrines not in the country's best interests.

**Army Plans New Southern Development Project**  
*BK0806004989 Bangkok THE NATION in English*  
8 Jun 89 p 3

[Text] The Army will launch a new southern development project that will bring all southern Thai Muslim leaders to work together for the benefits of the Muslim-dominated southern region, Deputy Army Chief Wanchai Ruangtrakun said yesterday.

Gen Wanchai said the project would support the Army's new hope project launched earlier this year with an aim to eliminate the influence of the outlawed Muslim separatist movement.

He said the new project calls on Thai Muslim leaders in the south to join forces in improving the standard of living of the southern people and the southern economy.

Operations under the new project are expected to help increase coordination and promote better understanding between Thai authorities and the southern Thai Muslim community, and at the same time draw more Muslim support for the Army's Harapan Baru or New Hope project, said Wanchai.

Thai Muslim leaders earlier complained that they had not been consulted by the Army on the implementation of the New Hope project.

Wanchai said the new project has already been approved by the internal security operations command. He will visit the south next week to discuss preparation for the project with southern Army staff and officials of the interior ministry.

The project will be carried out in the five southernmost provinces—Songkhla, Pattani, Satun, Yala and Narathiwat—and will later be expanded to nine upper southern provinces, according to Wanchai.

The officer, however, stressed that the recent bombing in Narathiwat Province by Muslim guerrillas that caused derailment of a Bangkok-bound train was not aimed at destroying the Harapan Baru project.

**Army Chief Candidate Gen Charuai Profiled**  
*BK2905101589 Bangkok KHAO PHISIT in Thai*  
17-23 May 89 pp 18-20

[Analysis: "Army Chief Candidate, General Charuai Wongsayan"]

[Text] General Charuai Wongsayan comes from the staff line rather than from the combat line. Graduating from the Chulachomklao Military Academy, he was commissioned a sub-lieutenant and was appointed student

officer at the Ordnance School of the Army Ordnance Directorate. He later became deputy commander of the 5th Light Ordnance Unit, student officer at the Army Staff College, and was promoted to major serving as assistant chief of personnel, 3d Army Division. In 1963, he entered the Army Staff College. After graduating, he became acting staff officer at the Army Secretariat. He participated in the Thai Army's service in the Vietnam war as logistics officer of the Volunteers Division. After returning home, he became a teacher in operational tactics at the Army Staff College. He then was promoted to colonel serving as chief of the intelligence section of the 1st Army Region. He later became deputy chief of staff of the 1st Army Region, was promoted to major general as commander of the 2d Military Circle, became deputy commander of the Special Warfare Headquarters, assistant Army chief of staff for civilian affairs, deputy Army chief of staff, and finally Army chief of staff.

This background shows why Gen Charuai is known as a "teacher" rather than as a commander. And he is known as being a kind and understanding teacher. He is loved and respected by his juniors, who never hold a grudge against him even if they are rebuked or criticized by him. This is because he is known as a person with a sharp tongue but a kind heart.

It might be because of the nature of his work since the beginning of his career that Gen Charuai is a meticulous person and is known as a "workaholic." Whenever there was an emergency, he worked 18 to 19 hours a day, and his staff was required to do the same.

His dedication to his work made him a "right-hand man" of Gen Chawalit Yongchaiyut. It is said that Gen Charuai is the officer closest to Gen Chawalit of his three classmates who are among the five candidates to become Army chief. Once Gen Sunthon Khongsomphon was labeled "a friend in need" of Gen Chawalit, but now this has been changed since Gen Chawalit lately has tended to give more important jobs to Gen Charuai. In 1988, for example, Gen Chawalit appointed Gen Charuai as chairman of the committee in charge of promoting officers at the level of combat regiments and battalions, which are known as the "strength" of the commander in chief. This assignment reflected the high trust Gen Chawalit gave to Gen Charuai.

When Lieutenant General Thap Kranloet was commander of the 1st Army Region, Gen Charuai was known as an officer very close to him. This was the period when the Young Turk officers were at their peak of power. But concerning this, Gen Charuai once said that he gave more credit to the Democratic Soldiers in the Army rather than the Young Turk group, because the Democratic Soldiers were better disciplined when compared to the Young Turks.

It could be because of his affiliation with the Democratic Soldiers that Gen Charuai became an officer closer to Gen Chawalit when compared with Gen Sunthon, whose role is emphasized as that of a "career officer" and a "combatant" rather than a theorist.

However, leading democratic soldiers do not think that Gen Charuai is much absorbed with their philosophy. He is familiar with the group only because he had to carry out orders from Gen Chawalit, who is imbued with the theory of the Democratic Soldiers. As a well-organized, disciplined, and dedicated soldier, Gen Charuai has become the "shadow" and right-hand man of Gen Chawalit in all matters, especially concerning political and civilian affairs, which is the new area he just took up recently.

Gen Charuai and his brother, Gen Charat Wongsayan, are known for having more or less the same character and personality. They are best in executing orders from their superiors. However, Gen Charuai's role has more recently stressed political work and the responsibility as a "housekeeper" of the Army; whereas Gen Charat was once known as the most efficient "second man" in carrying out executive orders for his boss. It is a pity that he [Charat] has been transferred to the Defense Ministry instead of continuing in the Army and doing what he is really good at.

Gen Charuai's over-enthusiasm for work has given a heavy workload to his close subordinates. However, they never resent him. On the contrary, it seems that they even have more respect for him; no matter what he orders them to do, they get the job done most rapidly. Gen Charuai therefore never failed Gen Chawalit on any assignment given to him by the latter, especially concerning civilian affairs, despite the fact that he sometimes could not fully respond to his superior's political requirement because of the gap existing between them. Recently, Gen Charuai was assigned as the central figure in the task of setting up two development divisions. He has completed the assignment and successfully kicked off operation of the two new divisions in response to the chief's desire.

Gen Charuai Wongsayan and Gen Sunthon Khongsomphong are two persons believed by politicians of some political parties to be possible successors to the Army commander, because they are close to and most trusted by Gen Chawalit. For some politicians, Gen Sunthon is easier to read than Gen Charuai. This might be because Gen Sunthon is openly mingling with politicians, whereas Gen Charuai is being kept away from them by several secret assignments, including those involving the labor sector and the masses. In fact, he has been in charge of this kind of work since he worked under former Army chief Gen Athit Kamlang-ek.

Politicians look at Gen Charuai as a rather "mysterious" person because of the previous assignments given to him. He was once assigned as a major figure in defending the

Defense Ministry's budget in 1986. He invited the budget scrutiny committee of the parliament for a meeting with top-level officers. The result was that the Defense Ministry's budget was passed by parliament without cuts.

Because of the specialized nature of his work, Gen Charuai seldom had a chance to openly mingle with politicians. Yet, he is quite capable in handling politics "outside the parliament." And it must be because of this that several political parties have an eye on him—an officer close to Gen Chawalit whose also has a good chance of being a successor once Gen Chawalit resigns. Although his political thinking does not keep pace with that of Gen Chawalit, it is believed that Gen Charuai is the best person to continue the thinking line of Gen Chawalit, as the two men are close classmates who have worked together for a long time as chief and subordinate. If the Army is to pursue the political line laid down by Gen Chawalit, his successor cannot be anyone other than Gen Charuai. In the terms of political parties, he is the "political successor" of Chawalit."

As an old "teacher," Gen Charuai's affection for the Army is great. He loves his subordinates and is ready to forgive them for whatever they might do. Many ranking officers believe he is an honest person and has no ambition for power. His ambition is only to fulfill the tasks given to him by superiors. There is no question about his honesty, even though he has been given the responsibility to control certain state enterprises involving high profits, such as the Telephone Organization. Yet, Gen Charuai has often said that he did not want to be given such responsibility, because he would like to have more time to serve the Army and his superiors.

After the fall from power of Gen Athit Kamlang-ek, there was some criticism of Gen Charuai. Gen Charuai was also once a right-hand man of Gen Athit, especially in charge of civilian affairs. His straightforwardness made some people think that his relationship with Gen Athit was rather estranged. A weekly political review, "NAM THANG," made the following remark a long time ago: "Lt Gen Charuai (his rank at that time) and Assistant Army Chief of Staff Lt Gen Arun Pariwattitham (his rank at that time) often went to the Television Channel 5 station to review videotapes on interviews with Gen Athit Kamlang-ek." And, as known to everyone, parts of the interviews were removed from the program following censure to avoid political frictions.

Some officers at lower levels are reluctant to serve as on the staff of Gen Charuai because they anticipate heavy work. This fact, however, worked in favor of the image of Gen Charuai in the eyes of his superiors.

Gen Charuai is a highly dedicated soldier. He is very close to and trusted by Gen Chawalit Yongchaiyut. The weekly "NAM THANG" once reported that, during the



political crisis in May 1986, Gen Chawalit took shelter at Gen Charuai's house for a period of time during the tension. This reflects on why they have been close in the years that followed.

Gen Charuai may be difficult to understand by some politicians. As an officer in charge of political affairs of the Army for so long, he may have caused some people to become perplexed due to his assignments related to mass work and the labor sector. This includes his involvement in certain projects, including the Kra Canal project in the South. But all of these were assignments given to him by superiors.

Some people say that Gen Charuai would be the best choice as successor to Gen Chawalit, if the latter has not given up his plan to quit military service for his political ambition. That would narrow the gap between the Army and the political sector. This was the belief of a number of high-level officers.

Gen Charuai has never made major mistakes or committed big faults in his career. He is his boss' best career and staff officer. He is an officer whose work is always involved with the Army's political affairs. His chance of becoming the next Army chief is quite high. But this must not occur later than the year 1990, when he will reach his mandatory retirement age and leave the service.

#### **Vietnamese Foreign Minister Stops Over**

BK0906112889 Hong Kong AFP in English 1119 GMT  
9 Jun 89

[Text] Bangkok, June 9 (AFP)—Vietnam's foreign minister, Nguyen Co Thach, arrived here Friday for a stopover on his way to next week's International Conference on Indochinese Refugees in Geneva, Vietnamese Embassy sources said.

Mr Thach is to leave here Saturday for a series of visits to European capitals, the sources said.

After taking part in the Geneva conference on Tuesday and Wednesday [13-14 June], Mr Thach is to pay official visits to France, Sweden and Austria for talks expected to focus on Cambodia.

(Sources in Hanoi said earlier that Mr Thach would also visit Bonn and London, but provided no details of the visits. They said his trip would last until the end of the month.)

Soviet-allied Vietnam invaded Cambodia 10 years ago to overthrow a Chinese-supported Khmer Rouge regime and install a client government in Phnom Penh. Hanoi has announced a pullout of its remaining occupation troops by the end of September.

A tripartite guerrilla coalition grouping the Marxist Khmer Rouge and the anti-communist followers of Prince Norodom Sihanouk and former Prime Minister Son Sann is fighting the Vietnamese and their Phnom Penh allies in Cambodia.

In France, Mr Thach is expected to meet with his counterpart, Roland Dumas, and discuss talks scheduled in Paris for late July between the tripartite Cambodian resistance group and the Phnom Penh regime.

Mr Thach and Mr Dumas are also expected to discuss the international conference on Cambodia scheduled in Paris for the beginning of August.

A Thai Foreign Ministry official said Mr Thach had no official engagement during his Bangkok stopover.

#### **Mining Investment Discussed With Lao Officials**

BK0306044589 Bangkok BANGKOK POST in English  
3 Jun 89 p 6

[Text] Laos has asked Thai investors to be "sincere" about plans to invest in mining in the socialist state, Industry Minister Banhan Sinlapa-acha said in Vientiane.

After meeting with Laos Industry and Handicrafts Minister Soulivong Dalavong on Thursday [1 June] Mr Banhan said that Thai investors are interested in mining in Laos but are uncertain whether Laos geological surveys are accurate.

The Laos minister said once foreign investors finish mining surveys, they can begin mining immediately under the Lao investment-promoting law.

The Industry Ministry and the Mining Council of Thailand will act as coordinators between the Thai private sector and Vientiane, Mr Banhan said.

Thailand, with human resources and mining survey techniques, can help Laos survey gem deposits and Vientiane should invite the Thai private sector to invest in mining, Mr Banhan said.

Thai investors are also interested in surveys for lignite, zinc and lead deposits in Laos.

"The meeting brought better results than expected. Laos needs investors who have stable financial positions so that confirmed mining products may be exported in the form of ores, not finished products," Mr Banhan said.

Thai investors, however, have doubted such investment in Laos would be worthwhile.

Only one Thai company—Monthian Thong Co—and two Australian firms have been mining gems in Laos while five other foreign firms are being considered.

"Laos already has a law to deal with this and we could develop the mining industry in that country. Vientiane said other industries, such as textiles, beer, tobacco and wood products would also be given out to private investors," the Thai minister said.

He advised Laos, with mines that have been left undeveloped for hundreds of years, to promote free enterprise.

Also meeting with Laos Deputy Trade and Foreign Economic Relations Minister Loi Chansavat, Mr Banhan said Laos has offered full cooperation to Thailand for its policy to turn Indochina from a battlefield into a marketplace.

The minister suggested that Laos give top priority to Thai investors and said the Indochinese state would enjoy more income from foreign entrepreneurs once a Thai-Laos border bridge is built.

Vientiane also asked Mr Banhan to help cut the 2.70 baht tax on each kilo of Lao maize imported by Thailand.

### Vietnam

#### Daily Assesses Bush's West Europe Visit

BK0906040789 Hanoi International Service in English  
1000 GMT 8 Jun 89

["Excerpts" from NHAN DAN article on "U.S. President George Bush's trip to Western Europe"—date not given]

[Text] U.S. President George Bush has concluded his week-long visit to Western Europe. In this connection the national newspaper NHAN DAN ran an article on his trip and his proposals.

The paper said: At the NATO summit on 29 May, President George Bush advanced a proposal on the reduction of conventional weapons in Europe. Initial assessment shows some similar points in Mr Bush's proposals and the stance of the Soviet Union and the Warsaw Pact member countries.

Why did the Bush administration advance such a proposal at this time? First of all, the world has entered a trend of detente. The Soviet Union and the Warsaw Pact member countries have proposed a major reduction of conventional arms in Europe and other important proposals on disarmament. The world public including the Americans are demanding that Washington respond to these constructive initiatives.

Secondly, NATO is presently split due to the controversy over short-range nuclear forces, SNF. With the proposal on reducing conventional arms, President George Bush attempted to draw the attention of the NATO summit to other directions, creating pressure against the FRG and other member countries who recently demanded an immediate talk between NATO and the Soviet Union on the SNF with a view to reaching an agreement on these

questions. With this proposal President George Bush also attempted to heal NATO's inner split and consolidate the U.S. leading role in NATO.

During his stay in Western Europe, President Bush many a time mentioned the four noble goals reserved by him for Europe. He called for the abolition of the Berlin Wall and the turning of Berlin into a trade center for the two blocs without any barrier, and called for more free elections in Eastern Europe. Obviously, President Bush has gone too far in interfering in the internal affairs of socialist countries in Europe, publicizing Western-style freedom. In an interview with the Soviet newspapers PRAVDA and IZVESTIYA, Soviet Foreign Minister Eduard Shevardnadze described the U.S. proposals as constructive.

NATO member countries' stance for negotiation based on President Bush's proposals was adopted at the NATO summit on 30 May. U.S. Secretary of State James Baker said that the United States and NATO may advance concrete proposals at the Conference on Conventional Arms Reduction in Europe to be held in Vienna, Austria, on 7 September 1989. This is the first time that two documents on conventional arms reduction have been advanced respectively by the Soviet Union and Warsaw Pact member countries, and the United States and NATO as the basis for the negotiation. This is a correct step to promote the dialogue for disarmament in Europe. The negotiations may meet with difficulties. The world public hopes that with the constructive proposals of the Soviet Union and the Warsaw member countries and a concrete response by the United States and NATO, the conference would gain positive results.

#### Hungary Expresses Support for Cambodian Peace

BK0806152889 Hanoi VNA in English 1452 GMT  
8 Jun 89

[Text] Hanoi VNA June 8—The government and people of Hungary wish to promote cooperation with Vietnam in the political, economic and cultural fields.

The remark was made by Miklos Nemeth, Politburo member of the Hungarian Socialist Workers' Party Central Committee and chairman of the Council of Ministers, while receiving Vietnamese Ambassador Nguyen Van Quy on June 7.

The Hungarian leader reaffirmed the Hungarian party, government and people's full support for the Vietnamese party, government and people's policy on renovations, for a peaceful solution of the Cambodian issue, and for broad cooperation with all countries in the region.

#### USSR, Poland, Finland Aid Survey Group

BK0806092489 Hanoi Domestic Service in Vietnamese  
2300 GMT 6 Jun 89

[Text] The Haiphong's sixth survey group, the unit that surveyed and mapped out sea routes of the Quang Ninh-Haiphong coastal area, has now expanded its work

to many areas throughout the country and has provided assistance to the fraternal Laos. The group has cooperated with Finnish specialists in surveying the Pha Rung coastal area to build a shipyard and has cooperated with Polish and Soviet [specialists] in inspecting dry docks of the Ha Long shipyard.

Since the Sixth CPV Congress, the sixth survey group has vigorously shifted to socialist business accounting system. Thanks to its satisfactory organization of cadre-related task, rational rearrangement of its work mechanism, effective regulating of its duties, the group since late 1988 has fulfilled all plan norms and has gradually improved the daily life of its cadres, workers, and personnel. The Haiphong's sixth survey group has signed with the General Maritime Communication Department a contract with a capital of more than 2 billion dong to survey and develop, from now to 1990, a 400-square km coastal area of Haiphong to ensure a permanent deep channel for ships of 10,000 tonnes to enter the Haiphong port.

**Nguyen Van Linh Meets With Voters in Hanoi**  
*BK0906013089 Hanoi Domestic Service in Vietnamese*  
2300 GMT 8 Jun 89

[Text] Yesterday morning, 8 June, at the Vietnam Fatherland Front headquarters in Ba Dinh Ward, Hanoi, a delegation of the Eighth National Assembly deputies from Constituency No 1 in Hanoi met with voters in Ba Dinh Ward. Comrade General Secretary Nguyen Van Linh, National Assembly deputy, participated in the meeting. Also present were Deputies Pham The Duet, secretary of the Hanoi Party Committee, and Nguyen Thui Lien, doctor at the St Paul Hospital.

Dozens of voter representatives from various state-operated production establishments, cooperatives, private enterprises, and public health and educational services, and cadres in charge of party and administrative work at the subward level and a number of sectors in Ba Dinh Ward frankly exchanged views on socioeconomic problems with the comrade general secretary and the National Assembly deputies from Constituency No 1 of Hanoi.

Comrade Nguyen Van Linh expressed his joy at meeting the Ba Dinh Ward voters to better understand the problems posed by the country's real socioeconomic situation. These are problems that the National Assembly will pay attention to and discuss during its forthcoming session. The comrade general secretary outlined the main features of our country's present economic picture and suggested a number of questions to which voters were invited to contribute their ideas.

He said: Recently, the economic situation has undergone many changes for the better. For example, with regard to the food problem, last year the entire country achieved an output of 19.6 million metric tons, more than 1 million metric tons over 1987 production. This was due

largely to favorable weather conditions, but it is important that it was also due to appropriate policies, especially the contract system stipulated by Resolution No 10. The cooperative apparatus has become less cumbersome; peasants have shown greater enthusiasm in production and their income has markedly increased. Some areas were hit by storms, but the peasants quickly overcame the damage and urgently planted and cared for rice and subsidiary food crops. In the field of goods circulation and distribution, the application of the price compensation policy and permission for free circulation of goods were measures of great significance. Today, in Hanoi, cadres, workers, and civil servants can buy rice anywhere they like.

At the meeting, in compliance with the wishes of a number of voters in various wards, the comrade general secretary and Comrade Pham The Duet received 14 persons, among them Mr Do Van Luyen and Mr Pham Quang Dang of Hai Ba Trung Ward; Ms Do Minh Ngoc, a doctor at Hospital E; Ms Nguyen Thi Tuong and Ms To Uyen of Hoan Kiem Ward; Ms Nguyen Thi Bac of Dong Da Ward; Ms Ma Thi Thuy of Hai Ba Trung Ward; and Ms Truong Thi Khoi of Ba Dinh Ward. These people spoke about the injustices and persecution that they have suffered for a long time but which have not been resolved by responsible echelons, or which have been resolved but not satisfactorily.

**Review of TAP CHI QUOC PHONG TOAN DAN**  
*BK0906101189 Hanoi Domestic Service in Vietnamese*  
1400 GMT 8 Jun 89

[Summary] The June issue of TAP CHI QUOC PHONG TOAN DAN begins with an editorial on national defense duty "which is aimed at thoroughly understanding the spirit of the party Central Committee's sixth plenum resolution."

The editorial is followed by some articles that serve the study and construction of defense areas:

—Article "Hoang Lien Son Builds a Strong Defense Area on the Country's Front Line" by Ha Thiet Hung, party Central Committee member and Hoang Lien Son Provincial Party Committee secretary.

—Article "Some Drill Experiences in the Defense Area of Quang Nam-Da Nang Province" by Lieutenant General Phan Hoan.

The journal carries an important essay boldly raising several points of discussion of good theoretical and practical guidance by Major General Tran Xuan Truong. The essay is entitled "Save Military Labor, A Major Issue of Military Economy and Art."

In the research section are articles entitled "Military Terrain and Organization" by Lieutenant Colonel Bui Tran Mo and "Military Transport and Art" by Colonel Vu Ba Tuoc.



The section on "Exchange of Views on Why Are the Results of Party and Political Tasks in the Army Still Low?" has reflected views by many cadres such as Lt Gen Nguyen Van Thanh and Col Tran Hanh.

In the "Exchange of Experiences" section are articles entitled "New Economic Management Mechanism and the Building of Militia and Self-Defense Forces in Ho Chi Minh City" by Maj Gen Tran Man and "Build the Reserve Force on the Strength of Proper Military Specialties, Strive to Narrow the Area" by Maj Gen Do Hoang Mao.

The "Foreign Countries' Military Data" section carries an article "The Chinese Navy's Marines" by Hoang Chuong.

In the "Renew Theoretical Thinking and Information Data" section, the journal introduces an article entitled "The GDR Continues To Build Developed Socialism" by Comrade Kurt Hager, Politburo member of the Socialist Unity Party of Germany.

## NHAN DAN on Economic Reforms

### Part 1

BK0706080089 Hanoi NHAN DAN in Vietnamese  
9 May 89 pp 1, 4

[Part 1 of 2-part "Seeking To Understand the Resolution of the Party Central Committee's Sixth Plenum" article: "Readjust the Economic Structure"]

[Text] The sixth party congress clearly pointed out the shortcomings we had committed in arranging the economic structure. Seeking to make rapid progress without taking the actual conditions and capabilities into consideration, we advocated stepping up industrialization while the necessary prerequisites were still incomplete. Giving priority to developing heavy industry and large-scale projects, we failed to concentrate on basically resolving the problems of grain and food and consumer goods and to effectively make use of the capabilities for expanding economic relations with foreign countries; and consequently, investments, though large in volume, only produced little results.

The congress also pointed out that in order to bring our country's economy out of imbalance soon we must definitely restructure the national economy in line with a rational structure. In the remaining years of the first stage and immediately, under the 1986-90 plan, it is necessary to rearrange the economic structure and make major readjustments in the investment portfolio along the line of concentrating human and material resources into realizing at all costs the objectives of the three economic programs (concerning grain and food, consumer goods, and exports).

### Major Initial Results

The (sixth) party Central Committee's sixth plenum clearly pointed out the shortcoming involving "belated guidance over the drafting and promulgation of the three economic programs complete with contents that set the targets, orientations and major balances serving as a firm basis for the formulation of annual plans."

Realities clearly demonstrate that we do not yet have the conditions and capabilities to formulate targeted programs in their true sense, namely programs with targets and coordinated measures that cover all fields of activities for a long period of time. Given our current understanding of objective and subjective factors, we can only develop programs that outline the major balances and main measures for achieving the targets concerning grain and food, essential consumer goods, and important export items for the next few years. Due to our slow realization of this, the formulation of the entire country's three economic programs has dragged on, affecting in no small measure the drafting of annual plans and the establishment of investment orientations designed to effectively draw both domestic and foreign sources of capital for production and business development.

In spite of the aforementioned shortcomings, the central government and the various echelons have, in reality, taken a step forward in rearranging the production structure and readjusting the investment portfolio to suit the targets of the three major economic programs; and this has been reflected in the annual plans and the agreements on economic cooperation signed with foreign countries, especially the Soviet Union and other socialist nations.

1. More capital investments by the state have been channeled into the realization of the targets of the three economic programs and into key projects. The central government has either suspended or postponed construction work on many large projects which account for one-fourth of the value of turnkey projects already signed with foreign countries; and it has also cut back on many projects of the various sectors and localities. Thanks to concentrated investments, the construction of key projects has progressed on schedule. During the first 3 years of the 1986-90 plan, some 30 water conservation projects, 22 industrial projects, 4 above-norm communication projects, and thousands of below-norm projects were commissioned. The Da River and Tri An hydroelectric power projects have been put into partial operation, thus helping relieve the energy shortage. Various sectors, localities, and basic units have also reserved more capital investments for agricultural development and the production of consumer goods and export items, with attention given to small projects from which quick results can be expected. All in all, the three major economic programs have received more than 60 percent of the total capital investment from the central budget and 75-80 percent of that from local funds.

2. There have been policies to mobilize more investments from many sources, especially from the people and foreign countries. In addition to investments from the central budget, localities have mobilized more funds for supplementary investment which are equal to 30-50 percent of investments under the state plan. Although statistics are still incomplete, it can be generally assumed that investments from the people hold a very important position. Over the past 2 years, investments from the people have been equivalent to 34,000 ounces of gold in Song Be Province, about 22,300 ounces of gold in Kien Giang Province, more than 3,200 ounces of gold in Hon Gai and Cam Pha towns (Quang Ninh Province), and approximately 2,000 ounces from fishermen in Thuan Hai Province. This is a major lesson in mobilizing funds and exploiting potentials among the people to develop production forces. In 1988, we also began to tap the source of foreign investment in accordance with the newly promulgated investment law.

3. Regarding the reorganization of production, factors in the economy have appeared allowing for the formation of some new production sectors with good efficiency and prospects even though it is still in the initial stage, such as shrimp-raising and processing, cottage industry for export garments, headgears and footwears, and electronic assembling industry. In the domain of agricultural production, there have been some progress in multicropping, crop rotation and long-term industrial crop cultivation. Many agricultural cooperatives and some state economic bases have actively rearranged their production and work force upon transferring to the new mechanism. Economic units and localities have further expanded the forms of cooperation and joint enterprise, and economic integration. Bids have been used in production and business in some localities and have borne some effect on the rearrangement of production.

4. Progress in restructuring investment and production together with the implementation of new policies which are aimed at liberating all production forces to develop the multielement economy of goods, have begun to exert a positive effect on the implementation of targets for grain, food products, consumer and export goods. Although the general situation is still difficult, in practical life the demands for some products have been met better now than before.

Despite the heavy loss of the 1987 grain harvest and the natural disasters in some provinces during 1988, the entire country still achieved 19 million tonnes, the highest thus far.

The situation of grain reserve and balances was recently found better than before. With respect to other food products, as a result of the policy of encouraging the people to produce and circulate commodities, and applying the system of business prices, the markets of meat,

fish, legumes, vegetables and fruits have better met the demands of consumers, including those in localities that were previously in frequent short supply of these commodities, such as Hanoi.

Compared to the preceding year, the production of consumer goods increased by 9.5 percent in 1987 and by 11 percent in 1988. The policies of producing and circulating consumer goods in accordance with the business system have made the market of consumer goods coming from many domestic and foreign sources become more abundant. Except some staple commodities which are still in scarcity, other commodities in general can be purchased and sold normally. However, in some outlying mountainous and rural areas, the demands for consumer goods have not been satisfactorily met.

In comparison with the preceding year, the export quota increased by 3.8 percent in 1987 and by 17.2 percent in 1988. The foreign economic activities in general have been expanded in terms of scale, form, and market. Some new prominent points are: We have expanded various forms of cooperation in the production of coffee, tea, coconut oil, vegetables, fruits, pepper and rubber, and in the field of cottage industry for small industrial products with the Soviet Union and other socialist countries. We have announced and implemented the law of foreign investment in Vietnam. The 1988 export quota value reached 1 billion rubles or dollars [as published], the highest ever recorded.

A general assessment shows that the rate of economic development has increased with the outcome of 1 year being higher than that of its preceding one. As compared with the preceding year, in 1987 the gross agricultural output increased only 0.3 percent due to heavy crop failure. In 1988, the gross agricultural output showed an increase of 2.2 percent (with the grain output in terms of paddy being up by 7.9 percent) while the gross industrial output rose by 9.5 percent in 1987 and 9 percent in 1988—with consumer goods increasing by 9.5 percent in 1987 and 11 percent in 1988—and national income was up by 2.5 percent in 1987 and 5.9 percent in 1988. However, as compared with the population growth rate as well as with the actual demands and capabilities, that rate of agricultural development is still low.

#### Problems and Solution

The party Central Committee's sixth plenum affirmed that we should "vigorously carry out and continually supplement the three national economic programs which are built and centered around the targets for grain and food-stuffs, for some essential commodities, and for certain main export products. We must gradually work out a socioeconomic strategy in order to guide the arrangement of the economic and investment structures under the 5-year (1991-95) plan and to facilitate the broadening of economic relations with foreign countries."

The plenum raised a number of major issues to be solved in order to achieve various targets of the three economic programs, generate capital, effectively use capital investments, rearrange production and circulation, and carry out comprehensive development in mountain regions.

1. To meet the requirements for grain and foodstuffs:

A general view show that production activities and efforts to meet requirements for food grain have not been steady enough. Even with successful crop harvests, a number of localities in the north would still suffer from chronic shortage of grain. The grain shortage and hunger occurred in a number of localities in the north in early 1988, which left regrettable consequences, were due to many shortcomings found in the policy regarding the regulation of grain distribution and supply.

In his closing speech at the party Central Committee plenum, Comrade General Secretary Nguyen Van Linh said: "Grain is a strategic product. Solving the 'food' problem is an essential economic task at present and in the long run." This task is, therefore, a "most important one to be carried out by various echelons and sectors. It is a decisive factor for stabilizing the socioeconomic situation and commodity prices."

A question raised is how to solve the issue of grain and foodstuffs in our country in the period ahead? From realities over the years, especially from recent improvements in the supply and conservation of grain, the party Central Committee plenum arrived at the conclusion that we must "take comprehensive and uniform measures to solve the problem of grain and foodstuffs in line with the concept of bringing the multisectoral commodity-based economy into full play."

According to that concept, it is necessary to do away with autarky, the system of state subsidies, and state monopoly in the grain and foodstuffs business. Along with stepping up grain production, it is necessary to map out a policy on grain circulation and distribution. This must be achieved through the production and exchange of goods between various areas in the country and through export-import relations with foreign countries. We must encourage localities where conditions permit to bring production into full play, trying to create large quantities of marketable grain. Meanwhile, we must also encourage various localities, especially those in the mountain region, to develop their strength in the industrial crop in order to create large quantities of marketable grain with which to effectively meet the requirements for grain.

In order to solve the question of grain and foodstuffs, we must take various uniform measures and satisfactorily carry out various activities ranging from production to preservation, transport, processing, circulation, and consumption. We must economize on using grain and minimize the current very high rate of grain losses in crop harvests, preservation, and transport. We must pay

attention to applying appropriate technical and industrial programs in the processing of grain and foodstuffs, trying to make subsidiary foodstuffs main diet in order to better the use of grain and foodstuffs and improve the composition of a meal. We must by all means create a necessary quantity of grain reserve at the central level and in each locality, including the portion owned by the state that must be reasonably proportionate with that owned by grain trade organizations. Solving the question of grain and foodstuffs is also inseparable from the task of carrying out family planning and reducing the population growth rate—reducing the rate of "demands" for grain and foodstuffs.

Thus, in order to "strive to meet essential requirements for grain in the next few years," we must successfully muster the efforts of various sectors, ranging from agricultural production, to science and technology, agricultural supply services, grain trade, foreign economic relations, national reserve, finance, and banking....

Part 2

BK0806154589 Hanoi NHAN DAN in Vietnamese  
10 May 89 pp 1, 4

[Part 2 of 2-part "Seeking To Understand the Resolution of the Party Central Committee's Sixth Plenum" article: "Readjust the Economic Structure"]

[Text] 2. To meet demands of consumer goods:

At present, the quality of many types of locally manufactured consumer goods is still low or even lower than that in the past—this, coupled with the high cost of production, has made it difficult for selling some kinds of merchandise. At the same time, imports have been increased in quantity, a considerable volume of which was emancipated from the state control and was outsold against some kinds of locally manufactured goods. The policy on protection of domestic production is inadequate and has not been seriously carried out.

Our resolutions for the days ahead are that "we must accelerate production, improve the quality of goods, reduce the cost of production, and produce more diversified merchandises to meet the demands of locally manufactured essential consumer goods." It is true that we have not been able to produce some kinds of essential consumer goods, especially modern pharmaceutical products, thus we have to import them. To meet the main demand of locally manufactured goods, production establishments must satisfactorily conduct market research to firmly grasp the diversified demands of cities and the countryside, from the delta to mountain areas. We must apply new technique to consistently improve the quality of goods, reduce the cost of production, and produce more diversified merchandises with an increasingly good quality and a better packing system to promptly and sharply meet all demands and tastes of the consumers. Our country's consumer goods industry must surge forward to gradually contest with foreign goods in



the domestic and international markets. With these fundamental orientations, we must "encourage the people to use locally manufactured goods, considering this a concrete action to contributing to accelerating domestic production."

At the same time, we must apply "an appropriate policy on import goods to contribute to supplementing funds for domestic goods, thereby meeting the diversified demands by consumers with the different levels of incomes and helping in regulating the use of high quality consumer goods." In parallel with applying the policy on encouraging the people to invest in production and business and to get rich through honest work, efforts made to meet demands of high-quality consumer goods will contribute not only to creating a moving force for accelerating production and business development but also to regulating incomes rationally.

According to the aforesaid orientations, "we must have a correct tax policy to protect and accelerate production in the country." The rates of import duties must be concretely defined in accordance with each type of goods to protect domestic production while encouraging production establishments to consistently surge forward to improve the quality of goods, reduce the cost of production, and produce more diversified merchandises to contest with foreign goods. Customs rules and regulations applied to consumer goods imported through commercial and noncommercial channels should be amended and supplemented to serve the requirements for the protection of domestic production and the prevention of smuggling.

To enable consumer goods production establishments to shift to business mechanism, the state shall provide direct subsidies to entitled persons as defined by the social policy, instead of providing them with lower-priced goods produced by these establishments.

### 3. Exploit available capabilities in heavy industry and build uniform infrastructures:

During the past period, the exploitation of available capabilities in heavy industries and the building of infrastructures have not been carried out appropriately. The implementation of the three major economic programs requires "in depth investment to exploit more satisfactorily the available capabilities in heavy industries and to put into full play the building of uniform infrastructures."

We must standardize and fully tap the production capacity of engineering installations to meet the requirements for the production and repair of tools, machinery, and equipment for use in agricultural production, forestry, and maritime product processing, in consumer and export goods production, and in transportation. At present, while the engineering sector's production capacity is gravely underexploited, the technical means of many production establishments, including some that are producing goods

for export, are very obsolete; and malfunctioning machinery and equipment are not repaired promptly. Policies should be adopted to encourage intensive modernization of equipment and technology, especially at establishments producing goods for export.

It is necessary to build an integrated infrastructure, which also covers energy, water conservancy, communication and transportation, and communications. To overcome the serious downgrading of the communication and transportation network and backwardness in communications we must increase investments in these sectors with different sources of capital and under varied forms.

Better exploitation of heavy industry's existing capacity and uniform development of the infrastructure will benefit the implementation of the three economic programs in the short term and at the same time, create preconditions for economic development in the long run.

4. Concerning the policy to draw capital from many sources and renovate the mechanism for using capital investments: Sources of budgetary capital investments are very limited because the state budget is currently faced with a serious deficit while most of the available funds are reserved for extant projects. Although a number of projects have firmly been suspended or postponed in recent years, budgetary capital investments in the three economic programs have increased very little, giving rise to complaints from many sectors and localities about the lack of investments by the state. This situation, however, will continue in the next few years.

To meet the demand for investments in support of the three economic programs the most important solution is to devise a policy to draw capital from various sources. The basic point of this policy is "to broaden and develop sources of revenues, rationally mobilize the national income, and strongly attract capital investments from the people and foreign countries." Also, it is necessary "to renovate investment planning along the line of overcoming the long-established habit of relying solely on capital investments from the state budget, and to bring into play all sources of capital and all forms of investments, with attention given in particular to the abundant sources of capital belonging to the various grass-roots units and the people."

Along with the policy to generate capital investments, we must renovate the mechanism for their utilization. Under the old system of subsidization, sectors and localities had to request capital investments from the state for every project, and complaints were invariably made in every case about the lack of capital. Also, efficiency in the use of capital investments was very low because loans were not linked to payments and responsibility was not linked to the efficiency of investments. Investments are still being heavily made in large construction projects that are not really necessary (such as offices, conference halls, cultural houses etc.). We must

conduct a study to basically renovate the mechanism for using capital investments, with the following immediate changes being recommended:

- State capital investments should be concentrated chiefly on developing the infrastructure, some key projects designed to serve the three economic programs, and a number of social welfare projects. At the same time, other sources of domestic and foreign capital should also be raised for these purposes (auxiliary projects or projects that will generate revenues such as hospitals, cultural houses, and so on).
- With regard to the majority of production and business projects, investment capital will not be provided by the state budget but must be acquired according to the principle of the economic units borrowing and repaying by themselves.
- The state must satisfactorily perform its function of guiding and controlling all investments in society, working out policies to give encouragement to the grass-roots units, and accepting investment mainly for the development of production.
- We must continue renovation and practice planning in capital construction, broaden the bidding method, and completely shift capital construction units to cost-accounting.

5. Concerning the reorganization of production and commodity circulation and the building of a rational economic structure: To date, the production structure of the national economy has not undergone any perceptible changes. Agricultural production still has an accented autarkic character, and we have been slow in developing various sectors in the countryside and establishing areas of specialized cultivation with a high rate of commodity production. At a time when the existing production capabilities have not been fully exploited and the high-technology establishments are constantly lacking raw materials, many localities have continued to build new production establishments, especially those producing cigarettes, liquor, bicycles and spare parts, electric fans.... Services in support of production, business, and life are still developing slowly and have not yet become an important sector of the economy.

Here are some major guidelines for reorganizing production and commodity circulation and for building a rational economic structure in the period ahead:

- To exploit all potentials and strengths of the country and to actively participate in the international division of labor to strongly and rationally develop production, communications, and the service sectors.
- To pay attention to developing the various sectors and trades in the countryside and setting up specialized cultivation areas with a high rate of goods production.
- To develop the services in support of production, business, and life into an important component of the economic structure.

—To rearrange production and the work force in the basic economic units and abolish the unnecessary intermediary organizations. The state will determine the direction of production and, mainly using economic measures, it will create a favorable business environment to promote the process of reorganizing production and commodity circulation through cooperation, integration, and competition among economic units instead of carrying out reorganization simply by using administrative measures.

6. Concerning the northern mountainous regions and the Central Highlands: Because of the important position and characteristics of these regions, we must promptly review our past work and formulate plans to promote socioeconomic development in close coordination with national defense and security work. To achieve a comprehensive socioeconomic development in the mountainous regions, we should attach special importance to transportation, communications, and goods circulation in order to exploit their economic strengths and gradually improve the material and cultural life of the people of various nationalities, thereby overcoming the occurrence of mountainous regions increasingly falling behind other regions in development.

To satisfactorily realize the readjustment of the economic structure and exploit all sources of investment capital, it is necessary to urgently shape a socioeconomic strategy step by step. We must clearly identify our potentials and determine our key economic sectors in order to set the direction for the deployment of the economic and investment structure in the 1991-95 five-year plan and for the formulation of plans for economic cooperation with foreign countries.

**1990 'Year of Tourism' in Ho Chi Minh City**  
*BK0906093289 Hanoi VNA in English 0720 GMT*  
9 Jun 89

[Text] Hanoi VNA June 9—The People's Committee of Ho Chi Minh City has decided to make 1990 the year of tourism to the city.

According to a decision announced by the People's Committee, in 1989 and 1990 the city focuses on upgrading all hotels available and encourages various economic units and individuals to invest in building new hotels.

A guiding committee has been set up to carry out the program concerning the year of tourism in Ho Chi Minh City.

**Decision on Prices, Sale of Fertilizer Issued**  
*BK0606045989 Hanoi Domestic Service in Vietnamese*  
1430 GMT 4 Jun 89

[Text] On 31 May, the chairman of the Council of Ministers issued Decision No 150-CP concerning fertilizer prices and the sale of fertilizer at commercial prices nationwide. The decision says:

From now on, in economic contracts between the state and state-run, collective, or private production and business units, the stipulation on the ratio of fertilizer to rice shall be abolished and replaced with the methods of selling fertilizer at commercial prices and buying grain at agreed-upon prices.

Based on the norms provided by the State Planning Commission and the specific demands of various regions, the General Agricultural Material Supply Corporation must formulate plans for regulating fertilizer to serve production in accordance with each kind of crop and each cultivation season.

This decision shall become effective on 1 June 1989. All previous stipulations contrary to this decision shall be abrogated.

**Decision on Citizens Community Service Issued**  
*BK0606123389 Hanoi Domestic Service in Vietnamese*  
2300 GMT 4 June 89

[Text] On 30 May, the Council of Ministers issued Decision No 56-HDBT stipulating in detail the enforcement of the regulation on citizens' participation in annual community service.

The resolution stipulates clearly the persons who are exempted or temporarily exempted from participation in annual community service, including those holding religious positions such as Buddhist monks, Catholic priests and bishops or heads of other Catholic congregations, and Protestant pastors.

Those leaving the country to work or study abroad for a year or more are also exempted from participation in community service for the period of their absence. Reserve soldiers and self-defense militiamen who have been assigned to conduct inspection work, maintain combat readiness, carry out combat duties, or track down commandos and spies [words indistinct] can deduct the number of days involved in these assigned duties from their annual community service. All persons must participate directly in community service when asked to do so. If they cannot participate directly in this service for any reason, they can hire someone else to take their place.

Community service focuses only on building or repairing dikes, sluice gates, and key water conservancy projects as well as on building interprovincial and interdistrict roads and some national defense projects such as airfields, ports, and military supply routes.



### Australia

#### Government Urges Australians To Leave PRC

BK0806012589 Melbourne Overseas Service in English  
0400 GMT 8 Jun 89

["Advice" of the Australian Department of Foreign Affairs"]

[Excerpt] As a result of the changing situation and the heightened level of risk, the Australian Government has decided to extend the evacuation of nonessential staff and all dependents to cover personnel at the Australian Consulate General in Shanghai. Australians in China are advised to consider leaving the country as soon as possible if there is a safe and practicable means of doing so. Direct contact with Australian diplomatic and consular missions in China may prove difficult. [passage omitted]

#### 214 Evacuated From Beijing, Shanghai

BK0906030089 Hong Kong AFP in English 0245 GMT  
9 Jun 89

[Text] Sydney, June 9 (AFP)—A Qantas charter flight returned here Friday [9 June] with 214 Australians evacuated from China.

On board were diplomats and their families, tourists and students evacuated from Beijing and Shanghai.

A foreign affairs spokesman said 15 Australian diplomats had remained in Beijing as well as a number of tourists who declined the evacuation flight offer.

A memorial service will be held later Friday at Parliament House in Canberra for victims of last weekend's massacre of pro-democracy activists by the military in Beijing.

#### Memorial Services Held for Beijing Victims

BK0906102489 Melbourne Overseas Service in English  
0700 GMT 9 Jun 89

[Text] Thousands of people have attended memorial services in Australia's major cities for the victims of the massacre in Beijing's Tiananmen Square 5 days ago.

In Canberra, the prime minister, Mr Hawke, led an emotional ceremony in the Great Hall of Parliament House. He said that speaking at the ceremony was the saddest duty he had as a prime minister. Mr Hawke said the massacre had shattered the optimism of the outside world to the reforms that China had been pursuing.

He broke down with emotion as he read a graphic report of the slaughter of innocent people.

### Solomon Islands

#### Sir George Lepping Reappointed Governor General

BK0906103589 Melbourne Overseas Service in English  
0500 GMT 9 Jun 89

[Text] Sir George Lepping has been appointed governor general of Solomon Islands. Sir George's appointment last July was annulled 2 weeks ago when the High Court found that his election was null and void, because at that time he had not resigned or taken leave of absence as a public servant.

However, the High Court said Queen Elizabeth could reappoint him if he left the public service. Sir George was granted leave of absence by the Public Service Commission and was nominated for reappointment.

A Radio Australia correspondent in Honiara said his reappointment has now been confirmed.

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